

# The NATIONAL UNDERWRITER

## FIRE ASSOCIATION GROUP

OTHO E. LANE, President  
Home Offices: 401 Walnut Street, Philadelphia

Departmental Offices  
NEW YORK CHICAGO SAN FRANCISCO ATLANTA NEW ORLEANS DALLAS TORONTO

### FIRE, MARINE AND AUTOMOBILE INSURANCE

ESTABLISHED 1817

#### FIRE ASSOCIATION of Philadelphia

Financial Statement—December 31, 1940

##### ASSETS

*Bonds and Stocks.....	\$18,983,678.33
Mortgage Loans.....	328,791.59
Real Estate including Home Office Building.....	1,340,275.00
Cash in Banks and Office.....	2,055,018.91
Premiums Receivable (not over 90 Days due).....	1,840,964.94
Other Assets.....	260,150.38
*Total Admitted Assets.....	\$24,808,879.15

##### LIABILITIES

Unearned Premium Reserve.....	\$10,907,981.18
Losses in Process of Adjustment.....	1,244,522.00
Reserve for Taxes, Expenses and other Liabilities.....	736,916.27
Total Liabilities.....	\$12,889,419.45
Capital.....	\$2,000,000.00
Surplus.....	9,919,459.70

\*SURPLUS TO POLICYHOLDERS..... 11,919,459.70  
\$24,808,879.15

\*Valuations on basis prescribed by National Association of Insurance Commissioners.  
Securities carried at \$678,926.07 in the above statement are deposited for purposes required by law.

ESTABLISHED 1841

#### THE RELIANCE Insurance Company of Philadelphia

Financial Statement—December 31, 1940

##### ASSETS

*Bonds and Stocks.....	\$3,514,248.14
Mortgage Loans.....	55,846.00
Real Estate.....	161,320.00
Cash in Banks and Office.....	325,368.33
Premiums Receivable (not over 90 Days due).....	201,132.21
Other Assets.....	37,413.79
*Total Admitted Assets.....	\$4,295,328.47

##### LIABILITIES

Unearned Premium Reserve.....	\$1,124,009.08
Losses in Process of Adjustment.....	118,442.00
Reserve for Taxes, Expenses and other Liabilities.....	157,539.04
Total Liabilities.....	\$1,399,990.12
Capital.....	\$1,000,000.00
Surplus.....	1,895,338.35

\*SURPLUS TO POLICYHOLDERS..... 2,895,338.35  
\$4,295,328.47

\*Valuations on basis prescribed by National Association of Insurance Commissioners.  
Securities carried at \$321,402.96 in the above statement are deposited for purposes required by law.

##### DIRECTORS

LEONARD T. BEALE  
ALEXANDER J. CASSATT  
J. VICTOR HERD  
LIVINGSTON E. JONES  
WILLIAM H. KINGSLEY  
WILLIAM FULTON KURTZ  
HERBERT I. TILY  
OTHO E. LANE  
JAMES G. MACONACHY  
GEORGE H. PARST, JR.  
HARRISON I. POTTS  
JOHN R. SIMPSON  
JOHN A. STEVENSON



ESTABLISHED 1873

#### LUMBERMEN'S Insurance Company

Financial Statement—December 31, 1940

##### ASSETS

*Bonds and Stocks.....	\$4,487,678.72
Mortgage Loans.....	116,798.63
Real Estate.....	70,590.00
Cash in Banks and Office.....	537,511.10
Premiums Receivable (not over 90 Days due).....	203,690.10
Other Assets.....	38,011.89
*Total Admitted Assets.....	\$5,454,280.44

##### LIABILITIES

Unearned Premium Reserve.....	\$1,733,913.34
Losses in Process of Adjustment.....	191,098.00
Reserve for Taxes, Expenses and other Liabilities.....	148,943.70
Total Liabilities.....	\$2,073,955.04
Capital.....	\$1,000,000.00
Surplus.....	2,380,325.40

\*SURPLUS TO POLICYHOLDERS..... 3,380,325.40  
\$5,454,280.44

\*Valuations on basis prescribed by National Association of Insurance Commissioners.  
Securities carried at \$434,279.52 in the above statement are deposited for purposes required by law.

ESTABLISHED 1928

#### PHILADELPHIA NATIONAL Insurance Company

Financial Statement—December 31, 1940

##### ASSETS

*Bonds and Stocks.....	\$2,508,910.06
Mortgage Loans.....	40,978.33
Real Estate.....	45,500.00
Cash in Banks and Office.....	410,261.87
Premiums Receivable (not over 90 Days due).....	75,766.22
Other Assets.....	15,747.98
*Total Admitted Assets.....	\$3,097,164.46

##### LIABILITIES

Unearned Premium Reserve.....	\$665,350.62
Losses in Process of Adjustment.....	77,064.00
Reserve for Taxes, Expenses and other Liabilities.....	67,002.16
Total Liabilities.....	\$810,416.78
Capital.....	\$1,000,000.00
Surplus.....	1,286,747.68

\*SURPLUS TO POLICYHOLDERS..... 2,286,747.68  
\$3,097,164.46

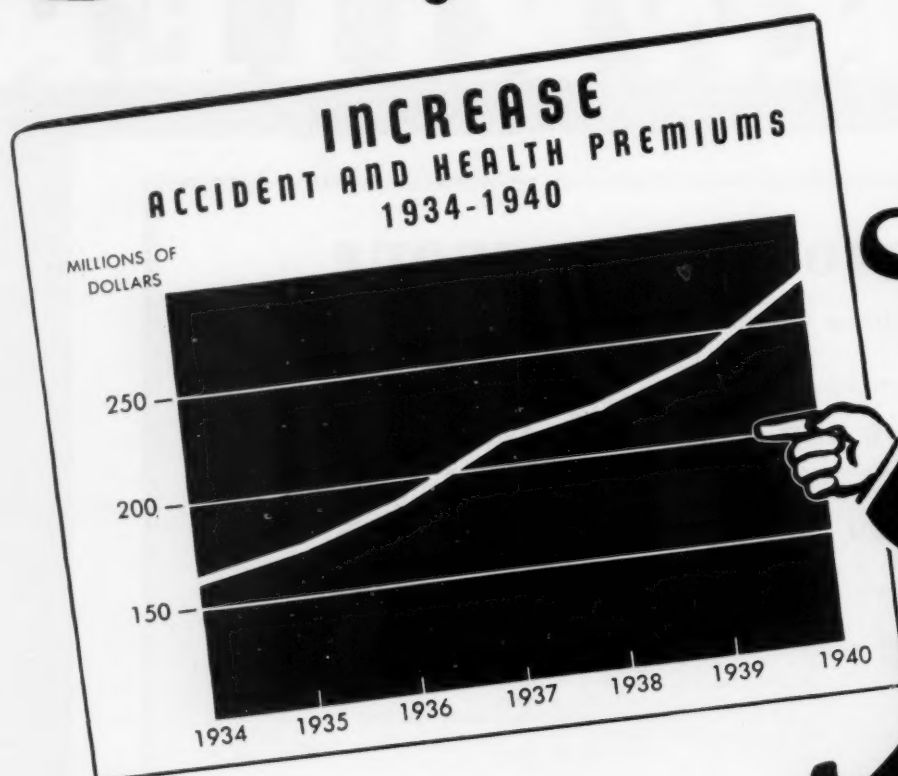
\*Valuations on basis prescribed by National Association of Insurance Commissioners.  
Securities carried at \$281,021.86 in the above statement are deposited for purposes required by law.

##### DIRECTORS

LEONARD T. BEALE  
CHARLES D. DICKEY  
KENNETH B. HATCH  
J. VICTOR HERD  
LIVINGSTON E. JONES  
WILLIAM H. KINGSLEY  
WILLIAM FULTON KURTZ  
DAVID E. WILLIAMS, JR.  
OTHO E. LANE  
WILLIAM H. LOESCHE  
JAMES G. MACONACHY  
WILLIAM R. K. MITCHELL  
C. S. NEWHALL  
GEORGE H. PARST, JR.  
JOHN A. STEVENSON

THURSDAY, MARCH 13, 1941

# get your share



**ACCIDENT and HEALTH INSURANCE is  
America's first line of home defense. ★  
The public needs it . . . wants it. ★ Get  
set for greater 1941 A. & H. Insurance  
Week. Take advantage of the barrage  
of national publicity . . . and build with  
today's fastest growing insurance line.**

**ACCIDENT & HEALTH INSURANCE WEEK**  
**MARCH 24-29, 1941**

THIS ADVERTISEMENT DONATED TO A. & H. WEEK BY UNITED STATES FIDELITY & GUARANTY COMPANY • BALTIMORE

THE NATIONAL UNDERWRITER. Published weekly (with one additional issue in April) by The National Underwriter Company. Office of publication, 175 W. Jackson Blvd., Chicago, Ill., U. S. A. Forty-fifth year, No. 11. Thursday, March 13, 1941. \$4.00 a year (Canada \$5.00), 20 cents per copy. Entered as second-class matter April 25, 1931, at the post office at Chicago, Ill. under Act of March 3, 1879.

## Order For New Subscriptions Only

### GENTLEMEN:

Put me down for a subscription to

- |   |               |
|---|---------------|
| <input type="checkbox"/> THE NATIONAL UNDERWRITER (Fire and Casualty) | \$4.00 a year |
| <input type="checkbox"/> THE NATIONAL UNDERWRITER, Life Edition       | \$3.00 a year |
| <input type="checkbox"/> Both Together                                | \$5.50 a year |
| <input type="checkbox"/> THE ACCIDENT & HEALTH REVIEW                 | \$2.00 a year |
| <input type="checkbox"/> THE CASUALTY INSUROR                         | \$1.50 a year |
| <input type="checkbox"/> INSURANCE EXCHANGER MAGAZINE                 | \$1.00 a year |

And send me a bill.

Name \_\_\_\_\_

Company \_\_\_\_\_ Position \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_




FIRST - CLASS  
PERMIT No. 2812  
(Sec. 510 P. L. & R.)  
Chicago, Ill.

**BUSINESS REPLY CARD**

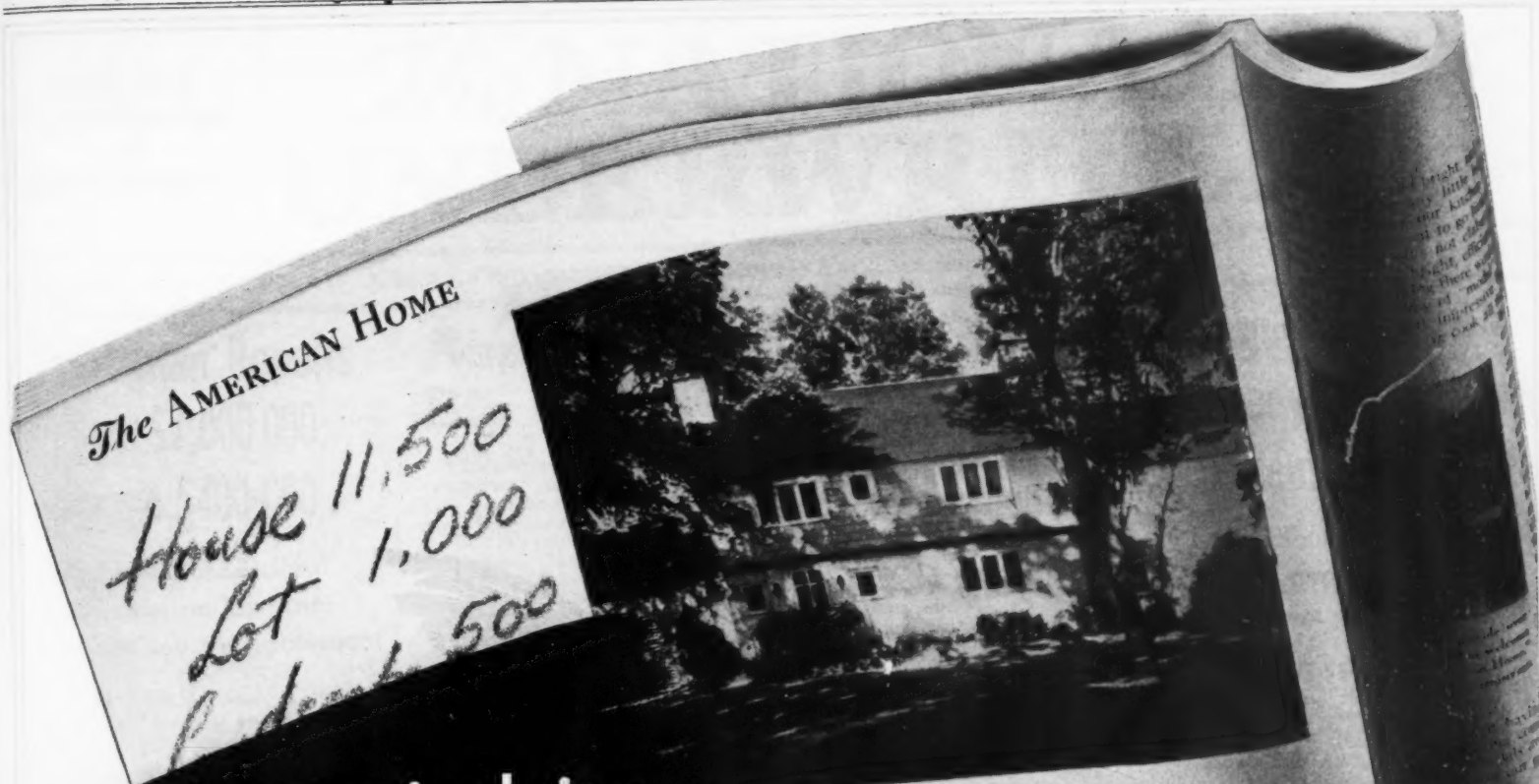
NO POSTAGE STAMP NECESSARY IF MAILED IN THE UNITED STATES

2c-POSTAGE WILL BE PAID BY—  
**THE NATIONAL UNDERWRITER**

175 W. Jackson Blvd.  
CHICAGO, ILLINOIS







Are you in their  
figuring . . .

*\$13,000 for a Seven Room Future*

when your best prospects for  
**COMPLETE INSURANCE COVERAGE**  
do their planning in *The* **AMERICAN HOME?**

*The* **AMERICAN HOME** 10¢

Companies who are creating future  
business for you by telling your  
story in these planning pages:

**The American Insurance Group**  
**The Employers Group**  
**Home Insurance Company**  
**The Phoenix Mutual Life Insurance**  
**Company**  
**Prudential Insurance Co. of America**

**OVER 2,000,000 FAMILIES**  
**"AT HOME" TO YOU**

**H**ERE'S how alert companies are  
paving the way for bigger in-  
surance sales: by talking to home-  
conscious families while their  
plans are still in the blueprint  
stage . . . and when they need  
additional protection for their prop-  
erty and belongings.

Page through **THE AMERICAN HOME** magazine and you'll see  
why advertisers are selecting it  
to reach America's No. 1 pros-

pects for fire, casualty and inland-  
marine policies. This magazine,  
devoted exclusively to sugges-  
tions for better living, is now read  
by over 2 million families where  
homes are growing fastest.

You'll profit by your companies'  
advertising to these people who  
have possessions to protect . . .  
and the means and desire to pro-  
tect them.

*ALL PLANNING PAGES*

*NO "PASS-TIME" PAGES*





## AMERICAN AUTOMOBILE INSURANCE COMPANY

ORGANIZED 1911

ST. LOUIS, MISSOURI

### NATIONWIDE BRANCH OFFICE FACILITIES

ATLANTA • BALTIMORE • BOSTON • CHICAGO • CINCINNATI • CLEVELAND • DETROIT  
INDIANAPOLIS • KANSAS CITY • LOS ANGELES • MILWAUKEE • MINNEAPOLIS  
NEW ORLEANS • NEW YORK • PHILADELPHIA • PITTSBURGH • SAN FRANCISCO • SEATTLE

# The NATIONAL UNDERWRITER

Forty-fifth Year—No. 11

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, MARCH 13, 1941

\$4.00 Year, 20 Cents a Copy

## Manhattan Repairs to Cost \$2,000,000; Salvage \$400,000

### Handling of General Average on Big Liner Simplified by Agreement

NEW YORK—Loss on the S. S. Manhattan, which is now in drydock in Brooklyn after spending three weeks stranded off Florida, will run much more than originally anticipated. Surveys are now virtually completed and it appears that the repairs will cost slightly more than \$2,000,000 and the salvage charges will be in the neighborhood of \$400,000. These figures do not include the cost of taking a portion of the freight ashore in lighters.

Removal of the outer plates in the region of the most severe damage in the after part of the ship showed that the framing had been shoved out of shape much more extensively than was apparent from the outside. It will take a little more than three months to complete the repairs. No insurance is carried covering loss of use.

### York-Antwerp Rules Modified

The York-Antwerp rules which would ordinarily apply to the computing of general average have been modified by agreement between the underwriters and the owners. The situation was complicated by the fact that part of the cargo was lightered ashore in Florida and shipped by rail to a storage point, while the remainder was allowed to remain aboard for the sake of convenience and was returned to New York. In order to avoid the complications involved in computing general average under these circumstances it was agreed to regard general average as applying up to the time the last of the cargo was discharged in New York. Charges for lightering, transshipping and storing the goods taken off at Florida will be allowed as a claim against general average. It is these charges that are not included in the \$2,000,000 or so repair cost and the \$400,000 salvage charge.

### Where General Average Applies

General average includes the salvage charge, the cost of lightering, transshipping and storing the goods taken off at Florida until the date the last of the cargo was discharged in New York. It also includes such damage to the ship itself as was caused in getting her loose from the shoal. That is, the damage which the ship suffered in going on the sandbar or in remaining there is not a charge against general average but only against the hull underwriters while whatever part of the damage was due to strain in the ship's being pulled off can be included in general average.

Technically the salvage charge is not a part of general average but is apportioned like general average, which from

(CONTINUED ON PAGE 51)

## Assets, Premiums Register Big Gains Last Year

Admitted assets of all classes of fire companies increased \$127,093,137 in 1940 according to figures compiled for the 1941 Argus Fire Chart published by THE NATIONAL UNDERWRITER. Stock fire company assets increased \$91,346,729. Total stock fire premiums including accessory lines showed a big jump going from \$821,294,784 in 1939 to \$942,983,025, a \$121,688,241 gain. Automobile premiums went up \$48,045,000 to \$260,550,440. Ocean Marine showed

a tremendous gain from \$48,044,656 to \$85,711,033. Extended coverage which was reported separately this year for the first time totaled \$34,42,015.

In the following tabulation contingency reserves and reserves for security value depreciation are included in liabilities and net deposit capital of foreign companies' U. S. branches is included in surplus less capital item, but not in capital item. The Charts are now ready for delivery.

### ALL COMPANIES

(Stock, Mutual, Reciprocal, Lloyds and Full Coverage Automobile, Excluding Factory Mutuals and Local Farm Mutuals)

	1940	1939
Admitted Assets .....	\$3,076,492,593	\$2,949,399,456
Liabilities .....	1,342,533,547	1,213,864,280
Surplus to Policyholders .....	1,733,959,046	1,735,535,176
Net Premiums Written .....	1,178,358,319	1,019,715,911
Losses Paid Including Adjusting Expenses .....	515,020,033	428,634,710
Ratio of Losses Paid to Net Premiums Written .....	43.7%	42.0%

### STOCK FIRE COMPANIES

(American and Foreign—Direct Writing, Reinsurance and Full Coverage Automobile)

	1940	1939
Admitted Assets .....	\$2,625,755,948	\$2,534,409,219
Liabilities .....	1,124,600,063	1,024,752,608
Capital .....	347,173,807	339,775,735
Surplus Less Capital .....	1,153,982,078	1,169,880,876
Surplus to Policyholders .....	1,501,155,885	1,509,656,611
Premiums Earned .....	882,924,589	798,447,993
Losses Incurred Including Adjusting Expenses .....	442,385,521	376,670,828
Underwriting Expenses Incurred .....	424,190,097	391,727,734
Ratio of Losses Incurred to Premiums Earned .....	50.1%	47.2%
Ratio of Underwrit. Exp. Incurred to Prem. Earned .....	48.0%	49.1%
Net Gain from Underwriting and Profit and Loss Items .....	22,096,387	32,964,309
Net Gain from Investments .....	34,163,379	96,644,187
Net Increase in Surplus .....	—15,898,798	45,763,985

### TOTAL STOCK FIRE PREMIUMS AND LOSSES

	1940			1939		
	Net Prem.	Losses Pd.	%	Net Prem.	Losses Pd.	%
Motor Vehicle .....	\$260,550,440	\$112,840,528	43.3	\$212,505,696	\$ 89,439,126	42.1
Ocean Marine .....	85,711,033	25,478,647	29.7	48,044,656	19,741,029	41.1
*Extended Coverage .....	34,421,015	7,529,000	21.9	.....	.....	.....
*Tornado .....	23,447,149	11,678,764	49.8	39,340,020	17,249,901	43.8
Inland Navigation .....	52,950,308	20,881,005	39.4	46,243,562	18,767,515	40.6
Aircraft .....	2,230,637	707,458	31.7	1,353,332	454,225	33.6
Sprinkler Leakage .....	2,048,744	963,524	47.1	1,869,260	606,557	32.4
Hail on Grow. Crops .....	7,325,955	2,422,019	33.1	9,122,701	4,144,220	45.4
Riot, Civil Com. & Exp. .....	3,987,102	472,184	11.8	7,185,453	764,840	10.6
*Earthquake, Rain & Flood, Water Damage & Misc. ....	2,058,477	522,139	25.4	7,025,645	1,389,385	19.8
Total—Acces. Lines .....	\$474,730,860	\$183,497,268	38.7	\$372,690,325	\$152,556,798	40.9
Fire .....	468,252,165	197,795,749	42.2	448,604,459	188,735,901	42.1
Grand Total .....	\$942,983,025	\$381,293,017	40.4	\$821,294,784	\$341,292,699	41.6

\*Extended Coverage included in Tornado and Earthquake, Rain & Flood, etc., items in 1939.

### STOCK FIRE COMPANIES

(Excluding Full Coverage Automobile Companies)

	1940	1939
Admitted Assets .....	\$2,581,450,085	\$2,493,707,664
Liabilities .....	1,092,799,956	995,654,558
Capital .....	341,968,807	334,625,735
Surplus Less Capital .....	1,146,681,322	1,163,427,371
Surplus to Policyholders .....	1,488,650,129	1,498,053,106
Premiums Earned .....	854,508,353	769,965,480
Losses Incurred Including Adjusting Expenses .....	425,874,043	362,065,457
Underwriting Expenses Incurred .....	410,439,913	379,713,255
Ratio of Losses Incurred to Premiums Earned .....	49.8%	47.0%

(CONTINUED ON PAGE 12)

## Argus Fire Chart Ready 12 Days After Statement Deadline

### Efficient Publication Gives Thorough View of 1940 Results

Last year was a good one for fire insurance companies, according to the Argus Fire Chart, just out. Assets and premiums were up over the previous year. Unearned premium reserves are up, due to the increased premium volume. Surplus is down a little, but not more than can be accounted for by the increase in reserve. Security valuations were favorable Dec. 31.

As usual in recent years, the accessory lines makes the best showing, but for 1940 even the fire premiums showed a gain, notwithstanding the steady reduction in fire rates.

Deliveries on the 65th annual edition of the Argus Fire Chart, published by THE NATIONAL UNDERWRITER, started on Wednesday. This chart is looked forward to by thousands of agents who wish to see how their own companies came out, and sometimes to take a look at competitors. The charts are remarkably efficient to show such extensive figures so early in the year. In many states companies do not have to report until March 1, yet their figures are included, not only in their proper place for the late companies, but in the totals of the different showings.

### Aggregate Results Shown

Besides the detailed figures on each company for the current year and each of the last 10 years, totals are shown for all companies, stock, mutual, reciprocal and Lloyds with separate showings for factory mutuals and local farm mutuals. Besides including them in the grand total, separate totals are shown for full-coverage automobile stock companies, United States branches of foreign companies, for reinsurance companies and marine companies. Totals for mutual companies are broken down into mutual fire companies, full-cover automobile mutuals, factory mutuals and reciprocals and Lloyds, with a separate total for full-coverage automobile reciprocals and Lloyds. Such figures are intensely interesting in these competitive times.

### Ten Year Record Traced

The individual showings for stock companies give, year by year for 10 years, admitted assets, unearned premium reserve, total liabilities except capital, surplus to policyholders and surplus less capital. Annual transactions, 1931 to 1940, are given on net premiums written, premiums plus interest and rents, losses paid including adjustment expenses, dividends paid or net funds received or remitted, under-

(CONTINUED ON PAGE 51)



## Hail Outlook Good as Meets Are Set

### Adjuster Conferences at Omaha and Wichita

Except for the uncertainty in the market, 1941 should be a good period for hail agents and underwriters. As the curtain goes up on pre-season plans for conferences between company men and adjusters and agents, crop conditions are excellent, and, if the market is strong through the underwriting period, April through June, a big increase in premiums over last year is predicted.

The Western Hail & Inspection Association will hold two educational meetings with adjusters and agents, at Omaha April 1-2 and at Wichita April 8-9. About 100 are expected to attend each gathering. The Omaha session will draw from Colorado, Nebraska and Iowa; Wichita, from Oklahoma and Kansas.

Attending the meetings from Chicago will be G. C. Edwards, superintendent hail department, and Joseph Cryan, assistant superintendent farm and hail department, America Fore; B. E. Thorp, superintendent hail department Hartford Fire; T. G. Dahl, hail superintendent Great American; Jacob Nelson, assistant manager hail department Home, and either James B. Cullison, manager of Rain & Hail Bureau, or S. K. Bjornson, assistant manager, or both.

### Local Men in Charge

In charge of the meeting at Omaha is Glenn L. Cavanaugh, Cavanaugh Co., co-chairman of the Nebraska State Hail Committee. At Wichita co-chairmen will be Walker N. Moore, special agent America Fore, co-chairman of the Kansas hail committee, and John F. Wilhoit, special agent America Fore, co-chairman Oklahoma hail committee.

Meetings for these areas are held every other year; last year they were held in Minneapolis and Great Falls, Mont., for the northwest wheat growing area.

The Southeast Hail Conference is expected to announce its pre-season meeting with adjusters and agents soon. The Canadian gathering is scheduled for late April at Regina, where an effort will be made to get in adjusters for municipal and mutual carriers as well as those for stock companies in order to further uniformity of adjusting procedure.

Adjusters who come in to these meetings are real estate men, bankers, school teachers, agricultural school instructors, and others specially selected for their familiarity with local agricultural conditions.

Agents write hail business two to three months, beginning early in April. Losses begin coming in around mid-July.

### Writing May Be Delayed

Writing of business by agents is expected to begin about two weeks later than usual. This is due to the conviction, of agents particularly, that the government is going to overlook the farmer in the present war-defense situation, and that as a consequence the market will be sensitive and probably anemic. A good many agents indicate they will wait to see how the market is.

Consequently, if the market is up during the hail writing season, whatever it is at harvest time, hail writings stand a chance of being considerably better than last year, possibly 50 percent better.

Crop conditions in the winter wheat territory generally are the best in 10 to 15 years, as to moisture and condition of plants. The spring wheat conditions in the northwest and Canada are average or better. Government crop insurance is not expected to be more of a competitive factor than it was last year.

In some quarters it is felt that govern-

## Pearl's Virginia License Suspended

RICHMOND—The Pearl's license in Virginia has been suspended until May 1, 1941, the suspension dating from March 7. Pearl had been scheduled to be given a hearing March 10 on charges of doing business in violation of the insurance laws, but a compromise settlement was reached before the date for the hearing. In addition to having its license suspended, the company was fined \$3,300 and ordered to pay whatever taxes might be due the state as a result of the alleged illegal operations. Eleven policies were involved, a fine of \$300 being imposed in each instance. Under the terms of the settlement, the company will not be prohibited from obtaining a new license for the year beginning May 1, 1941.

### Master Policy Was Employed

Pearl was charged with issuing a master policy covering apartment houses in several states including Virginia, the policy being written on all the property at rates 27½ percent less than bureau rates. It was brought out that underlying policies were written on each house in Virginia at regular rates and sent through the bureau and approved, but settlement was made on the master policy.

It was further charged with issuing reporting cover forms for the Kroger Grocery & Baking Company, J. C. Penney Company and John Lucas & Company, all these policies being nationwide reporting cover forms. No Virginia policies of any kind were issued under those three master policies, it is charged. These policies were also written at less than Virginia rates under forms of coverage not approved for use in Virginia. The company was directed to cancel all policies involved in the case

(CONTINUED ON PAGE 50)

ment crop coverage has made the farmer more conscious of the need for hail insurance, and it has certainly made hail agents more alert to hail premium possibilities.

The market during the underwriting season will be, however, the ruling factor.

## Vigorous Session at Minn. Mid-Year

### Agents Deal with Turkey Coverage, Other Subjects

ST. PAUL—Arthur A. Hirman, president, told the mid-year session of the Minnesota Association of Insurance Agents that insurance on public properties has become a paramount issue with public officials and to meet this situation a special municipal affairs committee has been named, headed by George Nelson of Minneapolis, with the object of furnishing agents where needed, modernized methods for handling public insurance.

A committee headed by Harry Reynolds, Duluth, is making progress in clearing up the present unsatisfactory U. & O. and co-insurance situation in Minnesota. Mr. Hirman described the state's agency qualification situation as "deplorable" and declared that by reducing the over-supply of insurance agents, the cost of insurance to the public can be reduced.

For the first time some 200 Minnesota agents this year are writing turkey insurance in a non-stock company, and Mr. Hirman urged that the stock companies get together and provide a turkey market even if they have to form a pool to do it.

Commenting on the plan of a large group of companies to write participating policies, Mr. Hirman raised the question whether there could be anything wrong with it "if it results in a reduction of cost to the policyholder, particularly for certain classes which at present because of statute or bureau regulations it has not been possible to reach."

If the compulsory auto bill now before the legislature is passed, both companies and agents will be the target of unfavorable criticism when the public finds out the imperfections of the law, asserted Mr. Hirman. The association favors improvement in the drivers' financial responsibility act to eliminate agitation for compulsory insurance.

(CONTINUED ON PAGE 51)

## Newark Local Agent Becomes Assistant B. D. O. Director

NEW YORK—The Business Development Office has named Fred W. Westervelt, Jr., local agent of Newark, as a new assistant director.

Mr. Westervelt started in the insurance business in the home office of Globe Indemnity. After about four years he took a position in the engineering department of the I. V. Dorland agency. He was later employed in the New York offices of Marsh & McLennan, leaving this organization to go with the New York brokerage firm of Vanderpool, Pausner & Webb. While with this concern he was sent to Ponca City, Okla., to manager their service office there. Returning, Mr. Westervelt was employed by Joseph M. Byrne & Co., local agency in Newark, subsequently going with Leslie Blau, Inc. to manage this agency.

Mr. Westervelt has thus had a long and varied experience as a producer and a record of active participation in agency association activities. The agency of Leslie Blau Inc. which he now leaves has been a member of the National Association of Insurance Agents and of the New Jersey Association of Underwriters. He has been a member of the executive committee of the Essex County Insurance Agents Association for the past two years, and during the current year he has been chairman of the legislative committee and the membership committee of the local organization.

Mr. Westervelt is an accomplished public speaker.

With the addition of Mr. Westervelt, the B. D. O. will be better able to fill the many demands which are made from all over the United States.

## Rhode Island Seeks Right to Use Participating Plan

PROVIDENCE, R. I.—A bill has been introduced in the Rhode Island senate to give the right to Rhode Island Insurance Company to pay dividends to policyholders. The bill has been referred to the corporations committee of the senate.

Rhode Island is thus the second company within recent weeks to take steps to get into position to be able to write participating policies. Stockholders of the North America in a few days will vote on a proposal to amend its charter to permit the payment of dividends to policyholders. The management of the North America states that it has no immediate intention of taking advantage of such a provision.

### BYRON WATSON STATEMENT

PROVIDENCE—Permissive legislation for amendment to the charter of the Rhode Island is now sought, as the general assembly is in session only during the early months of each year. The management has no intention of recommending the issuance of participating policies at this time or in the immediate future unless exigencies arise making such action expedient. Even then ratification of the stockholders must be obtained before the proposed amendment to the charter can be made operative and subsequently the approval of the insurance commissioners of each state must be secured before definite action is taken, President Byron Watson states.

### Changes in Michigan Department

LANSING, MICH.—Howard Brower, supervisor of casualty lines for the Michigan department, is resigning to go with the Fidelity Health and Accident of Benton Harbor. Charles W. Crane, Grand Rapids agent, is joining the department with a view to working into Mr. Brower's post. He has been a member of the Grand Rapids Association of Insurance Agents and has been a local agent since 1933.

## THIS WEEK IN INSURANCE

Fire company totals show gains in 1940 according to Argus Fire Chart tabulation. **Page 2A**

Argus Fire Chart of The National Underwriter is now off the press, being ready just 12 days after the deadline for filing annual statements. **Page 2A**

Loss on "Manhattan" will run close to \$2,500,000. **Page 2A**

L. F. Hawley, in addressing Minnesota agents mid-year meeting, cites the opportunity for writing inland marine business in connection with defense work. **Page 2B**

Fred W. Westervelt, Jr., local agent of Newark, has joined the Business Development Office as an assistant director. **Page 2B**

Minnesota agents deal vigorously with variety of problems at their mid-year convention. **Page 2B**

Hail adjusters and agents to meet in Omaha and Wichita. Crop conditions in southwest best in ten years. **Page 2B**

Rhode Island Insurance Company takes steps to enable it to write participating policies. **Page 2B**

Virginia license of Pearl is suspended until May 1, 1941, and company is fined \$3,300. Insurance committee of Montana house recommends that Pearl be barred from Montana and that attorney-general conduct inquiry into handling of insurance on state property by Pearl. **Page 4**

Stock fire premiums and losses from the 1941 Argus Fire Charts give complete figures by lines. **Page 5**

Southern Agents Conference holds semi-annual meeting in Atlanta. **Page 10**

HOLC officials disclose that consideration is being given to removal of the 25 percent payment provision in the contract with the Stock Company Association. **Page 11**

State and companies square off in their dispute over the Tacoma bridge loss. **Page 13**

Interests identified with factory mutual companies are setting up a reinsurance company to be known as Appalachian. **Page 10**

Underwriting and investment exhibit of stock fire companies. **Page 15**

Alabama commissioner approves 20 percent workmen's compensation rate deviation for stock companies on defense risks awarded on a cost plus basis and mutuals apply for 10 percent deviation as they did in Virginia so as to retain monopolistic position. **Page 25**

Those supporting the New Hampshire type of financial responsibility law for New York and opposing compulsory automobile insurance make a strong appearance at hearing conducted before New York legislature. **Page 25**

Automobile assigned risk plan for certificated risks is set up in New Jersey on a voluntary basis. **Page 26**

Ranking of the stock casualty companies by assets compiled by Argus chart. **Page 25**

Casualty experience figures for New Jersey in 1940 are presented. **Page 36**

Casualty results by individual companies in 1940 in Illinois are set forth. **Page 32**

New York department decides in favor of special workmen's compensation dividend plan of American Motorists, which bears a close resemblance to retrospective rating plan. **Page 26**

Casualty premiums and losses by lines are shown for individual companies in Minnesota for 1940. **Page 38**

Stockholders of Continental Casualty approve program to sell 100,000 of new stock at \$25 per share. **Page 41**

Indiana court rules that a child under seven is not a guest and may recover damages. **Page 43**

Remittances to and from home offices of casualty companies compiled by Argus Casualty Chart. **Page 25**

Valuable selling pointers presented at Cleveland Accident & Health Sales Congress. **Page 27**

## Camden Holds Brilliant Rally at 100 Year Mark

CAMDEN, N. J.—Celebration of the 100th anniversary of the granting of the charter of Camden Fire culminated with a dinner Wednesday attended by the field men and general agents from all over the country. Earlier in the day there was a luncheon at which the featured speakers were F. S. Dauwalter, assistant general manager National Board, and George Scott, director educational division, National Association of Insurance Agents. In January the company celebrated the centennial of the organization meeting which founded the company. Later there will be a ceremony at the home office to mark the actual commencement of business.

Speaking on "Hindsight Looking Ahead," Mr. Dauwalter utilized the 100 year perspective to take a look into the future. He mentioned some of the things that the insurance business might have done in the past if it had known what lay ahead. For example, he said, there was no sales program until about 1929, for until that time there was no selling problem. Premiums kept increasing every year. Now there is a greater emphasis on selling and greater stress should be laid on educating agents along the sales lines. New conditions have forced the business to take a new approach to these problems, he said.

Mr. Scott told of the progress that is being made in educational work and said that there is a particularly gratifying response among the states which have not already put on educational programs. They are taking the initiative in seeking aid of the National Association for educational work. Mr. Scott emphasized that his work is largely that of a coordinator, since he is in a position to act as a clearing house for ideas developed in various states and then select the best ones and pass them along to other states.

## Give Hobbs Bill Better Chance to Pass This Year

Representatives Hobbs of Alabama, who has sponsored similar legislation in the past few sessions of Congress, has reintroduced a bill barring the use of the mails in the solicitation of business to insurers in states in which they are not licensed. In view of the recommendations of the Securities & Exchange Commission members of the Temporary National Economic Committee, observers believe that the Hobbs bill has a better chance this year to be passed than it has in previous years. The bill has been referred to the post office and post roads committee. Excepted from the provisions of the bill are newspapers and periodicals, reinsurance contracts, church or denominational corporations, fraternal, educational groups, marine insurance, commercial traveling men's associations and group insurance.

## N.F.P.A. Officers Are Slated for Reelection

The nominating committee of the National Fire Protection Association has now prepared its slate of officers. It recommends for reelection as president A. R. Small, head of the Underwriters Laboratories of Chicago; for vice-presidents David J. Price of Washington, and Richard E. Vernor, Western Actuarial Bureau, Chicago; for secretary H. D. Freeman, factory mutual companies, Providence; for chairman, Albert T. Bell, Atlantic City; for directors Frank Dover of New Jersey, Russell Grinnell of Providence; E. W. Pierce, America Fore, New York; W. C. Wagner, Philadelphia, and John L. Wilds, Protection Mutual, Chicago.

Recommended as chairman of the nominating committee for 1941 is W. F. Hickey of New Haven.

## Insurance Reporting Chief in Business 50 Years



A. M. BEST

NEW YORK—March 12 marked the 50th anniversary of the entry into the insurance business of Alfred M. Best, founder and president of the insurance reporting and publishing company bearing his name. He started with the Queen, of which the late George W. Burchell was the then vice-president and directing head. In 1897 Mr. Best conceived the idea of establishing a service to supply unbiased reports on the financial status of insurance carriers of all types. Two years later the Alfred M. Best Company was launched. Today the company occupies several floors in its own building here and has branches in Chicago, Cincinnati, Atlanta, Boston, Dallas and Los Angeles.

Mr. Best is in demand as a speaker at important insurance and other gatherings, and his talks are widely circulated. In recognition of his anniversary his office staff tendered him a luncheon and presented him a leather-bound booklet commemorating the day, autographed by all in attendance.

## I. U. B. Puts Form No. 2 on Optional Reporting Basis

NEW YORK—The Interstate Underwriters Board has authorized writing Form No. 2 with reports of values as of the last day of the month instead of monthly reports of weekly average values. This change applies to all classes eligible for the form except oil in tanks and stock in vegetable oil mills and is handled by substituting the reporting and premium adjustment clauses of Form No. 1.

The change has been expected, since a similar option was authorized for Form B last fall and several middle western states now permit the same changes with the corresponding single state reporting forms.

## Endorsements Revised

The latest edition of the I. U. B. manual makes several minor changes in the extended coverage endorsement for risks written under I. U. B. forms and also divides vandalism insurance into the broad and limited forms used by the Explosion Conference and most state fire insurance regulatory bodies.

Turkey farms have been made ineligible for I. U. B. forms and stock in mayonnaise plants added to the eligible list.

## Pilot Reinsurance Figures

At the close of 1940 the Pilot Reinsurance had assets of \$3,869,075, capital of \$1,200,000, and surplus of \$1,332,005. Liabilities included reserves of \$976,995 for unexpired reinsurance, \$160,075 for losses, \$100,000 for taxes and other liabilities and \$100,000 for contingencies. Carl Schreiner is president and A. F. Sadler, vice-president and secretary.

## Act Against Barford, and Van Buskirk

At the instance of counsel for Coal Operators Casualty, formerly of Greensburg, Pa., now of Pittsburgh, a warrant has been issued for the arrest of Einar Barford, who is charged with embezzlement of \$299,800. The warrant was issued by Magistrate Williams in Philadelphia. Also named in the warrant is H. E. Van Buskirk.

Charles Denby, Pittsburgh lawyer, who swore out the warrant, stated that in August of 1940, Barford and Van Buskirk acquired control of Coal Operators Casualty and Ban Buskirk was elected president and Barford treasurer. Denby alleged that in November of 1940, investigation revealed that Van Buskirk and Barford, acting as officers of Coal Operators Casualty, had removed from the safe deposit box of that company \$299,800 of bonds belonging to Coal Operators and had pledged them to the Girard Trust Company of Philadelphia for a loan to United States Plate Glass & Liability of Philadelphia. Van Buskirk was president of U. S. Plate Glass and Barford treasurer.

According to Denby, this temporarily embarrassed Coal Operators Casualty until new capital was brought in.

## Boost Vernor for High Honors

The 147th district of Rotary International has drafted Richard E. Vernor of Chicago as a candidate for director of Rotary International from Zone II. If elected at the convention in Denver June 15-20 Mr. Vernor will be one of five directors who are elected from the U. S.

Mr. Vernor is manager of the fire prevention unit of the Western Actuarial Bureau.

## Buyers to Hear Campbell

KANSAS CITY—"Earnings and Business Interruptions Insurance" will be discussed at the March 18 session of the Insured Members' Conference, Kansas City district of the Associated Industries of Missouri. The speaker will be Howard Campbell, manager of special service for Kansas City Fire & Marine. Mr. Campbell will also, it is announced, give some ideas as to how business may protect its unemployment compensation reserves by this type of coverage.

## Great Lakes Syndicate Elects

NEW YORK—All officers and members of the board of managers were re-elected at the annual meeting of the Great Lakes Underwriting Syndicate. Chairman is J. T. Byrne, president of Talbot, Bird & Co. and Universal; vice-chairman, G. B. Oxford, Marine Office of America; underwriter, D. C. Anderson; treasurer, E. W. Schuler; secretary, N. S. Adams; assistant secretary, S. Donald Livingston.

## Buyers Meeting in N. Y. May 5-6

The 1941 conference of the insurance division of the American Management Association will be held at the Astor Hotel, New York, May 5-6. There will be a half day session on recent developments and another half day on problems of the insurance buyer. Then there will be a full day devoted to questions and answers.

## Hearing on Tex. Commission Bill

A hearing was held by the insurance committee of the Texas house Tuesday on the bill to give the state insurance commissioners authority to fix maximum rates of commission to agents. There was an official representation of the Texas Association of Insurance Agents at the meeting as well as a number of agents who appeared on their own initiative.

The Texas agents' association conducted a mail vote and got 616 replies opposing the measure and 93 for it.

## O'Mahoney's U. S. Charter Idea Applies to Insurance

### TNEC Chairman Makes Recommendation at Committee Final Hearing

WASHINGTON—Enactment of legislation requiring insurance and other corporations operating nationally to secure federal charters was recommended by Chairman O'Mahoney at the final hearing of the Temporary National Economic Committee.

Unable to appear personally because of illness, O'Mahoney's closing statement was read to the committee as it prepared to undertake the drafting of its report on monopoly in industry and trade.

Throughout the statement, O'Mahoney supported his arguments with references to the insurance industry, declaring that there are only 10 states which have within their respective borders property valued at more than the assets of Metropolitan Life.

### Imbued With Public Interest

Because of the great number of persons affected by their activities, he declared, the great corporations in insurance and other industries are imbued with a public interest.

Discussing his proposal for national charters, O'Mahoney warned that there is no other way to avoid the continued expansion of government control over private business.

Comparing the assets of the great corporations with the total assessed valuation of the states, the senator declared that Metropolitan Life has a total greater than any one of 38 states; Prudential's total is greater than any of 35 states; the New York Life exceeds 31 states; Equitable Society exceeds 27 states, and Mutual Life exceeds 24 states and the District of Columbia.

### REGISTRATION OF LOBBYISTS

WASHINGTON—Registration of lobbyists in the insurance and other fields was recommended to the TNEC in a monograph on economic power and political pressures prepared by D. C. Blaisdell of the commission's economic staff.

Mr. Blaisdell referred specifically to the Life Presidents Association which was analyzed at length in the SEC report on insurance a week ago.

The section on insurance lobbying was based entirely on the SEC monograph, with citations from the testimony taken during the insurance hearings, but followed the insurance lobby further, pointing out that other organizations also have an interest in the subject, among them the Edison Electric Institute, interested in public utility matters, and the American Federation of Investors.

The latter organization, Mr. Blaisdell said, purports "to speak in the interest of millions of thrifty American citizens who have invested in the securities of American industries, in life insurance policies, and in savings bank deposits," but appears to have been brought into existence with the approval of the public utilities, if not at their direct suggestion.

"The need for registration of lobbyists and adequate machinery for publicity grows out of the obscurity in which lobbies operate to affect public policy, and the extent to which such pressure groups distort the right of petition," he asserted. "Only when congress exercises its investigating power



does the public begin to have access to the facts about legislative powers.

"It is quite probable that registration and publicizing of lobbyists and their activities will not wholly meet the problem confronting us. However, the adoption of such a law would probably throw more light on the relationship between political activity and the concentration of economic power than any other proposal likely of adoption. The purpose is not to deny citizens their constitutional right of petition, but rather to throw enough light on the governmental process to allow citizens to vote intelligently."

### Suggest How to Strike at Problem of Unauthorized Insurance Operators

Those interested in the problem of unauthorized insurance are studying the recent decision of the Indiana supreme court in *Karvalsky vs. Becker*, 29 NE (2nd) 560.

The American Aid Association is an Indiana corporation located at South Bend. It was not admitted in West Virginia, but through one of its members or policyholders in that state a policy was written on the life of one George Howland, a resident of West Virginia, who became a member of the association by signing an application for membership and payment of the fee.

Howland died and Karvalsky was the beneficiary. The association denied liability and refused payment whereupon Karvalsky brought suit in Indiana against Becker and others who were officers and directors of the American Aid Association under a West Virginia statute providing that the agent of any insurer of another state which has not been admitted in West Virginia shall be personally liable on all contracts made by or through him, directly or indirectly, for such company.

In the trial, it was stipulated that none of the defendants had been in

West Virginia, but on the theory the American Aid Association was an insurance corporation under the Indiana law and that it had transacted business in West Virginia without being licensed there, the Indiana supreme court sustained the right of Karvalsky to maintain his suit.

In distinguishing some other cases, the supreme court finds that the defendants "caused the business to be transacted within the state of West Virginia . . . ; that they procured the solicitation of membership in West Virginia; that they executed the certificate and caused it to be delivered and the contract to be consummated within West Virginia."

#### Significance Is Found

Observers find that it is significant that the court included in the terminology of agent, officers of a non-admitted company which wrote a policy in a state in which the company is not authorized, although not personally in the state and did nothing except to authorize issuance of the policy when the application arrived.

Just how far a decision of this kind can be reconciled with cases like *Colgate vs. Harvey*, 296 U. S. 404, which holds that no state may interfere with the right of citizens of the United States to contract with each other, is a question in which there is a good deal of interest. Yet if the Karvalsky case is sound law, it is pointed out that there seems to be a complete and adequate defense by the state against unauthorized insurance by the passage of a statute similar to the West Virginia law.

#### Texas Independent Adjusters Elect

DALLAS—Ed Lindsey of Tyler has been elected president of the Texas Association of Independent Insurance Adjusters. C. E. DeWitt, Dallas, and L. M. Kizer, Waco, were named vice-presidents and Homer Sanders, Dallas, secretary-treasurer. Executive commit-

## Conventions

March 13-14, New Jersey agents (mid-year), Asbury Park, Berkeley-Carteret Hotel.

March 13-15, Illinois insurance school, Urbana.

March 19-20, Fire Underwriters Assn. of Pacific, San Francisco.

March 25-26, Wisconsin agents (mid-year), Madison, Lorraine Hotel.

March 26-28, Louisiana agents, Monroe, Virginia Hotel.

April 7-9, American Association of Insurance General Agents, Hollywood, Fla., Hollywood Beach Hotel.

April 21-24, National Association of Insurance Agents (mid-year), Oakland, Cal., Oakland Hotel.

April 22-23, Western Underwriters Association, White Sulphur Springs, W. Va., Greenbrier Hotel.

April 23—Tri-State Blue Goose, Sioux City, Ia.

April 24-25, Insurance Accounting & Statistical Association, Chicago, Edgewater Beach Hotel.

April 28-May 1, U. S. Chamber of Commerce, Washington, D. C.

May 4-6, North Carolina Association of Insurance Agents, Pinehurst.

May 11-15, Insurance Div., Natl. Assn. of Credit Men, Jung Hotel, New Orleans.

May 12-13, New York Agents, Syracuse Hotel, Syracuse.

May 12-13, Indiana insurance school, Bloomington.

May 12-14, National Association Independent Adjusters, Dallas, Baker Hotel.

May 12-16, National Fire Protection Association, Toronto, Royal York Hotel.

May 14-16, Texas Association of Insurance Agents, Dallas, Adolphus Hotel.

May 15, Ohio agents (mid-year), Columbus, Neil House.

May 15, Insurance Advertising Conference, New York, Roosevelt Hotel.

May 16-17, Arkansas agents, Hot Springs, Arlington Hotel.

May 16-17, Oklahoma agents, Oklahoma City, Skirvin Hotel.

May 21-22, National Board, New York, Waldorf-Astoria.

May 21-22, Bureau of Personal Accident & Health Und., Carmel Country Club, Carmel, N. Y.

May 22-24, Virginia Association of Insurance Agents, Roanoke, Roanoke Hotel.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 22-24, Mississippi agents, Edgewater Park.

May 27-28, National Board, New York, Waldorf-Astoria.

May 28-30, Industrial Insurers Conference, Richmond.

June 3-4, Tennessee school, University of Tennessee, Knoxville.

June 3-4, Pennsylvania Insurance Days, Bethlehem, Bethlehem Hotel.

June 3-5, Health & Accident Underwriters Conference, Chicago, Edgewater Beach.

June 9-11, National Association of Insurance Commissioners, Detroit, Statler Hotel.

June 12-13, South Carolina agents, Greenville.

June 16-18, Southeastern Underwriters Assn., Greenbrier Hotel, White Sulphur Springs, W. Va.

June 19-20, Kentucky agents, Louisville, Brown Hotel.

June 16-20, Special Libraries Assn., Annual Meeting, Hartford.

June 19-20, Illinois Fire Underwriters Association, Lake Delavan, Wis., Lake Lawn Hotel.

June 19-20, Florida agents, Jacksonville.

June 23-24, National Association of Insurance Women, Nashville.

June 23-25, National A. & H. Association, Los Angeles.

June 28-30, International Federation of Commercial Travelers Insurance Organizations, Bretton Woods, N. H., Mt. Washington Hotel.

June 25-27, New England Associations of Insurance Agents, New London, Griswold Hotel.

June 26-27, Tennessee agents, Nashville.

July 8-10, Ohio Fire Underwriters Association, White Sulphur Springs.

July 14-15—Alabama Agents' School, University of Ala.

Aug. 26-28, Blue Goose grand nest, Asheville, N. C.

Sept. 8-10, International Claim Association, Atlantic City, Ambassador Hotel.

Sept. 11-12—Michigan Agents, Grand Rapids, Hotel Pantlind.

Sept. 11-13, Minnesota agents, Rochester.

Sept. 24-26, Kansas agents, Salina.

Oct. 6-9, Joint casualty convention, White Sulphur Springs, Greenbrier Hotel.

Oct. 13-16, National Association of Insurance Agents, Kansas City, Muehlebach Hotel.

Oct. 26-28, National Association of Mutual Insurance Agents, Pinehurst, N. C.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

Nov. 6-7, Illinois agents, Peoria, Pere Marquette Hotel.

# REINSURANCE

# Inter-Ocean

## REINSURANCE COMPANY

### CEDAR RAPIDS, IOWA

90 JOHN STREET  
NEW YORK

215 W 7TH STREET  
LOS ANGELES

114 SANSOME STREET  
SAN FRANCISCO



## STOCK FIRE PREMIUMS AND LOSSES 1940: ARGUS FIRE CHART

Fire		Motor Vehicle		Ocean Marine		Inland Navigation		Tornado		Extended Coverage		Aircraft		Sprinkler Leakage		Riot, Civil Com. & Exp.		Hail on Growing Crops		Earthquake, Rain, Flood, Water Dam. & Misc.	
Premiums	Losses	Premiums	Losses	Premiums	Losses	Premiums	Losses	Premiums	Losses	Premiums	Losses	Premiums	Losses	Premiums	Losses	Premiums	Losses	Premiums	Losses	Premiums	Losses
12,382,996	5,369,143	5,770,727	2,868,365	2,149,588	585,673	1,677,186	625,909	693,422	318,361	866,744	232,252	85,809	30,645	46,399	15,889	118,275	9,213	405,829	120,340	53,837	7,894
3,959,390	1,716,318	1,679,153	760,029	748,767	239,554	186,452	66,176	141,679	67,949	266,220	59,414	17,512	3,704	14,994	7,025	31,017	2,549	88,416	82,506	9,827	1,361
293,593	156,784	80,664	38,717	38,717	239,554	186,452	66,176	141,679	67,949	29,455	856	20	601	266	1,775	177				1,506	5
1,111,087	481,355	174,926	75,017	75,017	203,623	280,166	111,788	49,517	18,340	90,872	15,444	175	6	3,527	1,190	9,474	1,468	16,291	4,086	12,644	17
1,486,649	600,709	369,865	145,732	145,732	123,319	270,471	100,397	42,202	21,181												
142,249	48,372	82,295	12,963	12,963				9,268	2,319												
		1,109,796	406,507																		
1,418,128	600,375	163,931	75,426	75,426																	
433,527	180,261	74,669	32,146	32,146	313,048	67,667	17,082	12,646	5,819												
		4,639,882	1,437,918	1,437,918																	
1,580,118	660,224	400,380	150,618	150,618																	
292,226	163,676																				
2,038,650	985,922	429,194	155,858	155,858	153,944	160,453	68,268	52,847	28,997												
3,569,708	1,704,352	455,930	204,012	204,012	29,091	81,217	32,760	135,138	64,320												
55,663	16,070	404,888	146,576	146,576																	
51,559	9,578																				
35,637	17,052	86,079	32,793	32,793																	
245,638	97,474	227,201	73,980	73,980	19,597	21,500	10,937	26,027	11,508												
751,043	462,379	444,476	211,750	211,750																	
174,742	65,300	1,874,853	801,822	801,822																	
9,414,119	3,959,006	1,606,663	637,368	637,368	433,227	1,532,652	568,519	858,976	368,935												
		1,354	50	50																	
2,061,302	1,530,695	80,826	35,525	35,525	60,493	95,701	30,692	108,714	21,155												
		527,921	150,691	150,691																	
		2,266,712	797,565	797,565																	
258,684	110,994																				
341,084	169,072	136,603	61,639	61,639	81,780	121,663	41,529	7,782	4,329												
35,387	1,808	57,220	11,354	11,354																	
28,459	9,856																				
2,074,793	826,073	423,485	203,267	203,267	88,924	166,079	90,818	67,584	41,713												
4,915,312	1,933,915	3,925,315	1,407,559	1,407,559	910,138	684,409	853,626	143,371	84,645												
1,261,974	598,848	522,832	224,600	224,600	82,744	18,336	80,608	38,900	38,746												
5,548	3,561	7,047	3,315	3,315																	
1,705,322	696,913	2,419,164	1,177,990	1,177,990	26,093	7,051	90,502	30,915	82,945												
12,025	3,694	973	304	304																	
597																					
397,499	140,118	188,005	49,384	49,384																	
118,000	27,809	85,018	32,408	32,408																	
2,928,480	1,226,498	599,864	238,743	238,743	200,744	467,344	368,944	140,109	112,739												
520,270	201,352	34,487	10,160	10,160																	
263,352	110,891	69,176	32,959	32,959	438,504	37,777	6,322														
121,976	37,184	36,580	6,193	6,193																	
1,640,946	708,625	397,077	163,156	163,156	24,707	6,746	33,566	10,270	19,880												
212,190	96,698	327																			
1,073,645	443,819	354,657	123,184	123,184	315,747	41,967	46,241	18,945	38,295												
987,375	413,337	252,093	120,024	120,024																	
3,358,230	1,345,893	1,817,483	1,169,379	1,169,379	115,184	408,489	163,576	157,261	53,672												
216,764	90,130	37,335	16,073	16,073																	
15,742	1,895																				
490,480	229,943	387,284	166,467	166,467																	
3,088	765	2,197	40	40																	
743,324	300,350	184,933	72,866	72,866	33,810	10,277	22,539	8,366	21,101												
109,343	42,364	300,589	99,572	99,572																	
879,512	449,857	120,686	66,506	66,506	961,914	243,160	81,591	33,309	45,421												
517,371																					
679,129	584,596	16,690	17,228	17,228																	
46,002	18,038																				
266,597	116,227	34,492	16,218	16,218	152,676	44,491	13,202	6,287	7,735												
1,118,217	502,206	1,263,679	665,870	665,870	38,116	9,467	51,609	28,541	32,369												
228,753	42,869	20,574	1,018	1,018																	
387,858	166,598	68,369	27,122	27,122																	
525,447	202,134	109,243	45,066	45,066																	
1,045,206	453,258	146,292	203,566	203,566	6,584	3,001	26,640	11,693	13,245												
		44,327	12,001																		

## (CONT'D FROM PRECEDING PAGE)

[illegible]

(CONTINUED ON NEXT PAGE)



# Pearl American Group

## Home Office—80 John St., New York

CLEVELAND  
314 Bulkley Bldg.

CINCINNATI  
2810 Carew Tower

PHILADELPHIA  
525 Chestnut St.

CHICAGO  
175 W. Jackson Blvd.

SAN FRANCISCO  
200 Bush St.

## PEARL ASSURANCE CO., LTD. (United States Branch)

80 John Street, New York, New York  
Financial Statement—December 31, 1940

ASSETS		LIABILITIES	
*Bonds		Unearned Premium Reserve.....	\$ 5,295,762.02
Government .....	\$1,544,927.54	Losses in process of adjustment.....	738,460.00
State, County and Municipal.....	978,690.61	Reserve for Taxes, Expenses and other Liabilities.....	275,713.43
Railroad .....	2,304,226.59	Funds held under Reinsurance Treaties.....	14,746.48
Public Utilities .....	1,256,254.33	Unearned Premiums and Losses Recoverable on Reinsurance in	
Industrial and Miscellaneous.....	1,410,062.52	companies not admitted to transact business in New York	
		State .....	470,056.23
*Stocks		Statutory Deposit .....	\$ 500,000.00
Railroad .....	\$ 770,738.00	Surplus .....	10,044,444.31
Public Utilities .....	1,237,315.00		
Banks and Insurance.....	1,510,533.29	Surplus to Policyholders.....	**10,544,444.31
Industrial and Miscellaneous.....	1,415,932.00		
	4,934,518.29		
Cash in Banks and Office.....	3,766,543.57		
Premiums in course of collection not over ninety days due, less			
reinsurance premiums due to other companies.....	985,196.60		
Reinsurance Recoverable on Paid Losses due from other Com-			
panies .....	68,185.94		
Deposits with Underwriters' Boards and/or Associations.....	4,412.05		
Accrued interest on Bonds and Bank Balances.....	86,164.43		
Admitted Assets .....	**\$17,339,182.47		\$ 7,339,182.47

\*Valuation on basis approved by National Association of Insurance Commissioners. Securities carried at \$642,246.32 are deposited as required by law.  
\*\*On basis of December 31, 1940 market quotations for all bonds and stocks owned, this Company's total Admitted Assets and Surplus to Policyholders would be increased \$50,667.35.

## MONARCH FIRE INSURANCE CO.

Corporate Office: 1901 Terminal Tower, Cleveland, Ohio  
Executive Office: 80 John Street, New York, New York  
Financial Statement—December 31, 1940 (New York Basis)

ASSETS		LIABILITIES	
*Bonds		Unearned Premium Reserve.....	\$1,585,668.48
Government .....	\$ 914,989.97	Losses in process of adjustment.....	180,724.00
State, County and Municipal.....	98,225.92	Reserve for Taxes, Expenses and other Liabilities.....	160,547.74
Railroad .....	364,675.79	Funds held under Reinsurance Treaties.....	181.70
Public Utilities .....	67,766.17	Unearned Premiums and Losses Recoverable on reinsurance in	
Industrial and Miscellaneous.....	167,395.47	companies not admitted to transact business in New York	
		State .....	10,921.50
*Stocks		Capital .....	\$819,336.00
Railroad .....	\$ 62,675.00	Surplus .....	513,243.18
Public Utilities .....	25,000.00		
Bank .....	14,000.00	Surplus to Policyholders.....	**1,332,579.18
Industrial and Miscellaneous.....	184,769.50		
	286,444.50		
Cash in Banks and Office.....	972,490.14		
Real Estate .....	85,461.81		
Mortgage Loans on Real Estate, first liens.....	71,858.23		
Mortgage Certificates of Participation.....	11,780.00		
Premiums in course of collection not over ninety days due and			
reinsurance due from other companies.....	207,397.24		
Reinsurance Recoverable on Paid Losses due from other com-			
panies .....	1,413.88		
Deposits with Underwriters' Boards and/or Associations.....	6,286.07		
Accrued interest on Bonds, Mortgage Loans and Bank Balances.....	14,437.41		
Admitted Assets .....	**\$3,270,622.60		\$3,270,622.60

\*Valuation on basis approved by National Association of Insurance Commissioners. Securities carried at \$254,250.21 are deposited as required by law.  
\*\*On basis of December 31, 1940 market quotations for all bonds and stocks owned, this Company's total Admitted Assets and Surplus to Policyholders would be increased \$62,358.84.

## THE EUREKA-SECURITY FIRE & MARINE INSURANCE CO.

Corporate Office: 2808 Carew Tower, Cincinnati, Ohio  
Executive Office: 80 John Street, New York, New York  
Financial Statement—December 31, 1940 (New York Basis)

ASSETS		LIABILITIES	
*Bonds		Unearned Premium Reserve.....	\$3,830,657.54
Government .....	\$1,317,561.03	Losses in process of adjustment.....	433,462.00
State, County and Municipal.....	381,182.91	Reserve for Taxes, Expenses and other Liabilities.....	296,708.77
Railroad .....	673,110.06	Funds held under Reinsurance Treaties.....	—10.00
Public Utilities .....	499,950.93	Unearned Premiums and Losses Recoverable on reinsurance in	
Industrial and Miscellaneous.....	899,257.32	companies not admitted to transact business in New York	
		State .....	60,078.68
*Stocks		Capital .....	\$1,000,000.00
Railroad .....	\$ 103,750.00	Surplus .....	1,915,066.58
Public Utilities .....	267,200.00		
Bank .....	32,475.00	Surplus to Policyholders.....	**2,915,066.58
Industrial and Miscellaneous.....	448,110.00		
	851,535.00		
Cash in Banks and Office.....	2,538,824.17		
Real Estate .....	12,500.00		
Premiums in course of collection not over ninety days due, less			
reinsurance premiums due to other companies.....	322,247.62		
Reinsurance Recoverable on Paid Losses due from other com-			
panies .....	1,058.65		
Deposits with Underwriters' Boards and/or Associations.....	4,436.58		
Accrued interest on Bonds.....	34,289.30		
Admitted Assets .....	**\$7,535,953.57		\$7,535,953.57

\*Valuation on basis approved by National Association of Insurance Commissioners. Securities carried at \$350,052.09 are deposited as required by law.  
\*\*On basis of December 31, 1940 market quotations for all bonds and stocks owned, this Company's total Admitted Assets and Surplus to Policyholders would be increased \$108,733.92.



## (Cont'd from preceding page)

Fire										Motor Vehicle				Ocean Marine				Inland Navigation				Tornado				Extended Coverage				Aircraft				Sprinkle Leakage				Riot, Civil Com. & Exp.				Hail on Growing Crops				Earthquake, Rain, Flood, Water Dam. and Misc.			
Premiums.		Losses		Premiums.		Losses		Premiums.		Losses		Premiums.		Losses		Premiums.		Losses		Premiums.		Losses		Premiums.		Losses		Premiums.		Losses		Premiums.		Losses		Premiums.		Losses		Premiums.		Losses							
669,671	262,843	454,694	359,097	25,959	6,885	56,997	29,019	24,698	14,770	Piedmont	51,895	9,127	71	2,125	481	2,513	491	41,273	5,805	3,765	950	Piedmont	51,895	9,127	71	2,125	481	2,513	491	41,273	5,805	3,765	950	Piedmont	51,895	9,127	71	2,125	481	2,513	491	41,273	5,805	3,765	950				
653,335	405,793	19,152	.....	9,033	1,504	12,532	.....	77,308	41,843	Pilot Reins.	33,031	3,895	.....	2,017	643	7,555	429	.....	.....	.....	.....	Pilot Reins.	33,031	3,895	.....	2,017	643	7,555	429	.....	.....	.....	.....	Pilot Reins.	33,031	3,895	.....	2,017	643	7,555	429	.....	.....	.....	.....				
65,474	26,296	1,022	111	.....	.....	.....	.....	7,164	10,525	Pioneer Equip.	13,377	6,485	.....	.....	.....	.....	.....	.....	.....	.....	Pioneer Equip.	13,377	6,485	.....	.....	.....	.....	.....	.....	.....	.....	.....	Pioneer Equip.	13,377	6,485	.....	.....	.....	.....	.....	.....	.....	.....	.....					
12,908	2,498	.....	.....	.....	.....	.....	.....	458	773	Pioneer, Ill.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Pioneer, Ill.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Pioneer, Ill.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....					
861,627	248,820	1,333,305	592,737	209,740	78,892	114,807	85,658	28,812	9,304	Potomac	89,395	12,032	.....	1,514	69	3,657	915	.....	.....	1,342	.....	Potomac	89,395	12,032	.....	1,514	69	3,657	915	.....	.....	1,342	.....	Potomac	89,395	12,032	.....	1,514	69	3,657	915	.....	.....	1,342	.....				
.....	.....	699,088	278,834	.....	.....	.....	.....	.....	.....	Preferred Auto	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Preferred Auto	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	Preferred Auto	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....					
120,310	92,552	149,033	73,775	.....	2,050	545	17,366	10,133	.....	Preferred Fire	31,245	8,349	.....	31	257	2	761	5,891	670	-103	2	Preferred Fire	31,245	8,349	.....	31	257	2	761	5,891	670	-103	2	Preferred Fire	31,245	8,349	.....	31	257	2	761	5,891	670	-103	2				
3,664,538	1,313,942	972,902	422,279	1,345,657	557,511	882,964	243,450	89,650	49,293	Providence, Wash.	206,188	52,762	245	91	11,149	8,311	26,492	2,923	72,927	42,622	4,229	Providence, Wash.	206,188	52,762	245	91	11,149	8,311	26,492	2,923	72,927	42,622	4,229	Providence, Wash.	206,188	52,762	245	91	11,149	8,311	26,492	2,923	72,927	42,622	4,229				
324,299	162,290	.....	109,679	.....	52,311	.....	9,065	9,939	.....	Provident	18,782	4,274	27	.....	295	7,299	2,908	226	.....	564	.....	Provident	18,782	4,274	27	.....	295	7,299	2,908	226	.....	564	.....	Provident	18,782	4,274	27	.....	295	7,299	2,908	226	.....	564	.....				
2,797,650	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....				
286,241	103,027	125,684	67,569	.....	113,753	292,773	63,891	20,174	4,683	Quaker	11,292	2,929	.....	.....	2,929	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....	Quaker	11,292	2,929	.....	.....	.....	.....	.....	.....	.....	.....	.....					
3,664,538	1,256,743	128,869	60,265	.....	112,940	27,511	79,183	28,571	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	246,671	31,063	1,523	118	18,518	9,067	26,615	6,702	.....	25,885	.....	Prudential, N. Y.	2														

**R. S. Oellers**, vice-president of Meserole companies, is able to be at his office for a brief period each day. He has been absent about four months, recovering from a major abdominal operation. He spent several weeks near Atlantic City in recuperating.

## Check-up on Reading Needs Under Way

### Use Special Card in This Issue for New Orders

THE NATIONAL UNDERWRITER is holding its semi-annual subscription check-up in an effort to see that all agents and company men are taking advantage of its publications.

In this issue is a special subscription card covering THE NATIONAL UNDERWRITER's five periodicals: THE NATIONAL UNDERWRITER Fire & Casualty Edition, THE NATIONAL UNDERWRITER Life Edition, The Accident & Health Review, The Casualty Insurer and the Insurance Exchange Magazine. The card is to be used for ordering new subscriptions only and not for renewals.

#### Opportune Time

This is an especially opportune time to subscribe to THE NATIONAL UNDERWRITER Fire & Casualty Edition as a wealth of statistical material is being published in the current issues and next month the annual Automobile Edition will be sent to all subscribers without extra charge. The \$4 a year subscription price is especially low for a weekly publication and those who read the office copy or borrow copies from some other subscriber, will find it well worth while to enter their own subscription so as to be sure to keep up with the latest news each week.

The annual Life Payments Number of THE NATIONAL UNDERWRITER will be sent to all paid subscribers of the Life Edition in May. A number of statistical tabulations are being published in the current editions which make it well worth while for those writing life insurance to have their own personal subscriptions at \$3 a year.

Those who write fire and casualty lines and life insurance find it advantageous to take advantage of the special combination rate of \$5.50 a year for both editions.

#### Survey Edition Off Press

The annual 64-page Survey Edition of the Accident & Health Review will be off the press this month and will be sent to all subscribers in addition to the regular 12 issues. This number is looked forward to with great interest by everyone connected with the accident and health business and contains a wealth of sales material and statistical matter. Copies of the Survey Edition are saved the year around for reference. The accident and health insurance business has shown a sharp increase in recent years and agents will find it profitable to subscribe to this publication at \$2 a year in order to keep up with the latest information and methods on increasing premiums.

#### Packed with Sales Suggestions

There is a great emphasis on the casualty business and possibility of increasing premiums on these lines at the present time. Every producer should subscribe to the Casualty Insurer at \$1.50 a year. This monthly sales and educational magazine provides essential background material and is packed with sales suggestions. Clippings of newspaper reports of automobile and general liability verdicts are a popular feature. Court decisions are analyzed interestingly from a sales standpoint.

The Insurance Exchange Magazine is published for distribution in the Chicago and Illinois area and is one of the most popular publications issued by THE NATIONAL UNDERWRITER. It contains a monthly review of the news in the Chicago district as well as numerous sales articles and suggestions for increasing business. The \$1 a year subscription price is so low that producers cannot afford to be without this live wire paper.

The outstanding publication for life insurance debit men is the Industrial

Salesman. Each month it contains numerous helps for increasing both industrial and ordinary production. The subscription price is \$1.25 a year.

Check over the subscription card in this issue and mail it direct to THE NATIONAL UNDERWRITER at once.

#### Loan Company Issue in Neb.

LINCOLN, NEB.—Insurance interests have been drawn into a controversy between Secretary of State Marsh and several small loan finance companies, the former having denied a license to the Phoenix Loan Company of Omaha

on the ground that insurance charges made in connection with loans are excessive. The loan company retaliated by asking the district court to order Marsh to issue it a license. Depositions are being taken from insurance companies at several eastern points and possibly at Chicago from members of the D. J. Gradman agency, 208 South La Salle street. The claim is that some loan companies are compelling borrowers to cancel insurance on chattels offered as security for loans and to patronize companies named by it as a condition of making the loan. It is also

charged that each time the loan is extended or renewed the borrower is required to take out a new insurance policy and that the loan company retains all refunds on existing policies.

#### Associated F. & M. in Ohio

H. G. Kates, vice-president of Associated Fire & Marine, has returned to San Francisco after completing arrangements for the company to operate in Ohio. Central Agencies, Inc., of Columbus has been named general agent in that state.



Underwood & Underwood

## BALANCED TEAMWORK

It's a question of knowing what to do—and how and when to do it. A simple figure 8—an intricate double Salchow—a sweeping spiral or long edge similar to that pictured above. Pair or group skating require the maximum in well-timed, balanced teamwork. No confusion, no waste circling, no unnecessary strain on the partner. And that just about sums up the

way we try to work with our representatives country-wide... how we try to live up to our nickname "Friendly Folks."

If you would like to do business with another strong stock company—one that gives the maximum in well-timed... balanced teamwork, let us send our nearest fieldman to tell you our story. When may he call?

**Empire State**  
Insurance Company  
of Waterman, N.Y.



**Agricultural**  
Insurance Company  
of Waterman, N.Y.

*Every Type of Property Insurance for Industry and the Home*



## Arrangements Now Under Way in K. C.

### Committees Named by Chairman Barnum Start Work

KANSAS CITY—Good progress is reported in plans for taking care of the annual convention of the National Association of Insurance Agents here Oct. 12-17. Raynolds Barnum of Mann, Barnum, Kerdolf & Welsh, general chairman of arrangements, has lined up a fine group of committees to handle the varied details, and these committees already are functioning.

Mr. Barnum met Wednesday with Harry Gambrel of Gambrel - Stubbs, vice-chairman; C. S. Stubbs, same agency, chairman of the entertainment committee, and Mrs. C. S. Stubbs, chairman of the ladies' committee, to start the ball rolling.

Registration will be in the Municipal Auditorium, where all business sessions will be held. The annual dinner will be spread in the arena of the auditorium.

The first pre-convention event scheduled is the meeting of the executive committee and officers of the National association at the Hotel Muehlebach Oct. 9.

### Committees Are Selected

Mrs. Louise Price, executive secretary of the Kansas City association, is secretary of the convention committee. Other committees and their chairmen are: Finance, Fred V. Griffith, W. B. Johnson & Co.; Golf, James R. Sydnor, R. B. Jones & Sons, Inc.; Housing, Mr. Griffith; Information, Cliff L. Johnston, Cliff Johnston & Co.; Invitation, Cliff C. Jones, R. B. Jones & Sons; Ladies, Mrs. C. S. Stubbs; Program, Frank W. Wilbur, McCluer-Wilbur Co.; Publicity, William J. Welsh, Mann-Barnum-Kerdolf & Welsh; Reception, Joseph J. McGee, Thomas McGee & Sons; Registration, Hoyt S. Nelson, Hoose & Nelson, and Transportation, R. D. McMillan, C. D. Williams agency.

Lorren W. Garlich, St. Joseph, Mo., member of the executive committee of the National association, was here to consult on arrangements for the annual convention with Mr. Barnum.

## Factory Mutuals Forming Reinsurer

PROVIDENCE, R. I. — Interests identified with the factory mutual system have taken steps to form a reinsurer, to be known as Appalachian Insurance Company. A bill to incorporate such a company has been approved by the Rhode Island senate and now is before the lower house.

The incorporators are Frederick T. Moses, president and treasurer of Firemen's Mutual of Providence, and president and treasurer of Union Mutual Fire of Providence; Carl A. Moses, vice-president of those companies, David W. Patterson and others. The authorized capital is \$1,000,000.

Firemen's Mutual is a factory mutual company. Union Mutual is closely identified with the factory mutual system and it is used primarily to write unsprinklered business that is controlled by the factory mutual organization. It is understood that about 60 percent of the business of Union Mutual consists of unsprinklered property owned by assured who patronize the factory mutuals

in connection with their sprinklered properties.

It is assumed that Appalachian would operate primarily as a reinsurer of factory mutual companies. Most of the factory mutual reinsurance is presently at Lloyds. With the prospect of a heavy premium increase in connection with the defense program, it may be that the factory mutual leaders have decided that they should have facilities for admitted reinsurance, because in many states a ceding company is not permitted to take credit in its premium reserves for non-admitted reinsurance such as London Lloyds.

### R. C. Hosmer, Jr., in Army

Robert C. Hosmer, Jr., who had been special agent for Excelsior of Syracuse in Ohio, western New York and western Pennsylvania, has now been inducted into the army and is stationed at Fort Niagara, N. Y. His father is president of Excelsior. Mr. Hosmer, Jr., is keeping a record of his impressions of camp life and these are being sent out in mimeographed form to his agents and other friends under the caption "Report of Private Robert C. Hosmer, Jr., on Life in the U. S. Army."

The Insurance Check Chart helps to detect hazards. Get a copy for 75 cents from National Underwriter.

## Southern Conference Meets in Atlanta

### Agents Ask S.E.U.A. for Conference on New Rates or Forms

ATLANTA—The Southern Agents Conference at its semi-annual meeting here asked to be called in for a conference when any new rates or forms of major importance are to be promulgated by the Southeastern Underwriters Association. The S.E.U.A. also was asked to consider reducing rates on suburban property just outside of city limits and to devise some simplified method of handling published rates in large municipalities.

### Conference Committee Enlarged

The conference also reaffirmed its interest in devising some way of competing with the so-called five-year-plan being offered by some companies whereby a five-year policy is written on a four-year rate, with the premium paid annually. The conference at the last meeting endorsed this plan but the

S.E.U.A. did not approve. The conference voted to keep the subject alive.

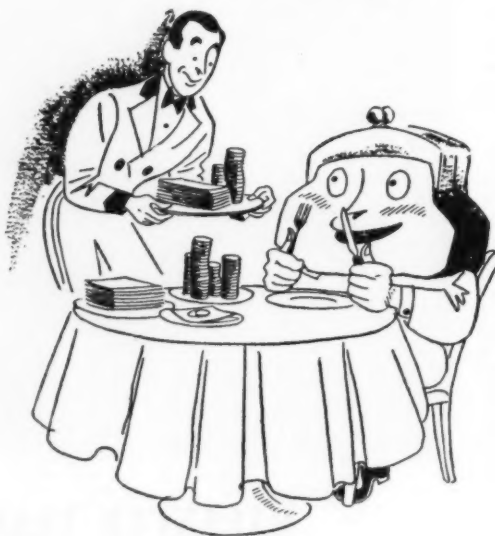
The conference designated its conference committee to take up with the S.E.U.A. any major change in forms or rates.

In order to have the Southern Agents Conference territory conform to that of the S.E.U.A. it was decided to have representatives on the committee from Virginia, Mississippi, Louisiana and Arkansas. States now represented are North Carolina, South Carolina, Florida, Alabama and Georgia. Ed. H. Moore of Birmingham, chairman of the conference, is also chairman of the conference committee. Other members are: Charles Morris, Tuscaloosa, president Alabama association; McAllister Carson, Charlotte, former North Carolina president; J. H. Woodside, Greenville, former South Carolina president; Hunter Brown, Pensacola, Florida president, and J. W. Carswell, Savannah, former Georgia president. The members from the other states will be chosen by the respective state associations.

In the matter of suburban rates it was pointed out that there is too big a spread between them and city rates, even though fire protection is available. In calling for simplified rates in the more thickly populated areas, it was

(CONTINUED ON PAGE 50)

## FATTEN Your Purse...



Why don't ALL agents use the Insurance Analysis plan ALL the time? The Insurance Analysis Plan of the Employers' Group has fattened the purses of many Employers' Group agents — and at the same time — given policyholders true satisfaction. It's the logical approach to a man's insurance problems in his home or business. It's the soundest surest way to sell more and more policies.

Give us the opportunity to show you how our new improved Analysis Plan works — how it increases business — how it improves an agent's standing as an insurance counsellor.

### Send for our Pioneer

Our monthly magazine, The Pioneer, is filled with business building ideas. Write to the Publicity Dept. for a free copy.

## The EMPLOYERS' GROUP

110 Milk Street, Boston, Mass.

THE EMPLOYERS' LIABILITY ASSURANCE CORP., LTD.  
THE EMPLOYERS' FIRE INSURANCE CO.  
AMERICAN EMPLOYERS' INSURANCE CO.





## HOLC Says 25% SCA Deal May Be Altered

### May Have Insurer Pay for Services on Agreed Upon Basis

WASHINGTON — Officials of the Home Owners Loan Corporation disclosed Wednesday that modification of the contract with the Stock Company Association is under consideration which would remove the provision for the payment of a 25 percent commission on business placed by the HOLC and substitute an agreement for the SCA to pay the corporation "such sums as may be agreed upon between the parties as reasonable compensation for the services performed."

The new move was revealed in a statement attacking newspaper stories regarding the controversy with the New York insurance department, which it declared to be misleading.

#### Statement Explains Status

"The Home Owners Loan Corporation is not the insured and is not receiving a rebate," it was declared. "It is a part of the federal government and as such is entitled to any recompense which can be obtained because any benefits resulting to the corporation accrue to the taxpayers."

"The corporation would be derelict in its duty if it did not seek to obtain recompense for services it performs for the insurer in connection with the insurance of the properties of its borrowers securing the corporation loans."

"Despite intimations to the contrary in newspaper notices, the Home Owners Loan Corporation and the Stock Company Association are in perfect accord on this entire matter and are co-operating fully in all respects."

#### QUESTIONS IN FORM SENT OUT

As the first step in its program for closer inspection of its mortgaged properties, the Home Owners Loan Corporation sent out a home inspection form with its March installment payment statements. Twelve questions were asked as follows:

Is there any rubbish or scattered kindling in the basement, cellar, attic, or yard?

Are walls, ceilings, floors and partitions protected from overheating of stoves, furnaces and pipes?

Are the chimneys in good repair? When were they last cleaned?

Do stovepipes pass through attic or closets?

If there are any unused stovepipe holes, how are they covered?

Do you keep your matches away from heat and out of the reach of children?

Do you ever use gasoline, kerosene, benzine or naphtha in the house?

Are any gas connections made with rubber tubing?

Do you use a "dustless" oil mop?

If so, where do you keep it when not in use?

Where is the nearest fire-plug to your home?

Where is the nearest fire alarm box to your home?

Are you familiar with the methods of reporting a fire by telephone?

The questions are designed to stimulate better housekeeping methods and answers will be studied carefully for cases where answers indicate that it is advisable to make an immediate inspection.

It is expected that the HOLC will follow its March inspection form with a series of five or six questionnaires in which more detailed information will be

asked on some of the main questions set forth in the March form.

The questionnaire is sent out on a blank which can be mailed back to the HOLC without postage payment. Early returns indicate a good response.

The HOLC is able to keep a fairly close check on its properties as divisional insurance departments are notified of fire hazards by inspectors who check the property for other reasons.

Subscribe to **The Accident & Health Review**, \$2 per year, 175 W. Jackson Blvd., Chicago.

### Here's News: W. Va. Tax Is Waived; Don't Need Money

CHARLESTON, W. VA.—The state of West Virginia has waived the fire marshal tax of .5 percent on all fire business for the year 1940 on account of the fact that the fire marshal's fund is sufficient to meet the expenses of that department for the next fiscal year.

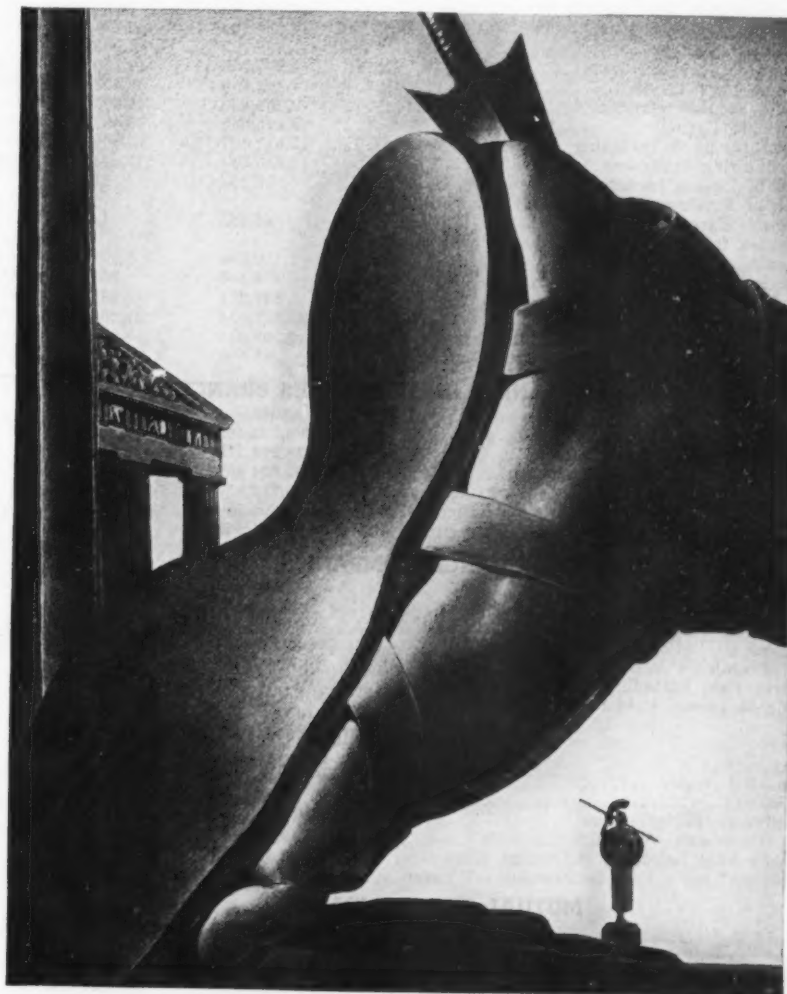
### Defense Work Well Protected

DENVER—Assurance that fire protection is being given every considera-

tion at the government's two large establishments here, was given by P. T. Boyne, fire prevention bureau head, and assistant chief of the Denver department. Lowry Field, huge flying school, has three pieces of fire apparatus. At the new small arms ammunition plant under construction, to cost about \$5 millions, a water main for fire fighting has been laid and the government will provide a fire department. City equipment and men also are available.

Get Non-Resident Agency & Brokerage Laws. \$1. National Underwriter.

**All  
because  
Achilles  
had a  
heel**



You remember the ancient story of Achilles. This Greek youngster got dunked in the River Styx by his mother to make him safe from any kind of attack. She doused him completely — all but the heel by which she held him. But Paris caught Achilles in his one vulnerable spot with a disastrous arrow. That story is the "spring-board"

used in the March 8th *Saturday Evening Post* to emphasize complete insurance protection. Advertising "Insure The American Way" in national magazines is part of a plan to equip The American Insurance Group agents with a complete and exclusive selling plan.

The RISK DETECTOR is the first easy step in a simple, direct means

of discovering a client's needs and providing the kind of protection that means safety for the insured and more business for the agent.

Agents may use "Insure The American Way" in a unique local promotion. Write for complete information. Address: The American Insurance Group, Dept. 530, Newark, New Jersey.

INSURE  
**THE American WAY**



**THE American Insurance Group**

Newark

New Jersey

The American Insurance Company

The Jersey Fire Underwriters

The Columbia Fire Insurance Company

Dixie Fire Insurance Company

Bankers Indemnity Insurance Company

## Assets, Premiums Register Big Gain

(CONTINUED FROM PAGE 2A)

Ratio of Underwriting Expenses Incurred to Premiums Earned	48.0%	49.3%
Net Gain from Underwriting and Profit and Loss Items	20,566,167	31,024,390
Net Gain from Investments	33,546,517	95,790,050
Net Change in Surplus	-16,782,049	+44,826,914
Net Premiums Written	917,563,951	800,089,987
Losses Paid Including Adjusting Expenses	370,723,173	333,285,012
Ratio of Losses Paid to Premiums Written	40.4%	41.7%

### FULL COVERAGE AUTOMOBILE STOCK COMPANIES

	1940	1939
Admitted Assets	\$ 44,305,863	\$ 40,701,555
Liabilities	31,800,107	29,098,050
Capital	5,205,000	5,150,000
Surplus Less Capital	7,300,756	6,453,505
Surplus to Policyholders	12,505,756	11,603,505
Premiums Earned	28,416,236	28,482,513
Losses Incurred Including Adjusting Expenses	16,511,477	14,605,371
Underwriting Expenses Incurred	13,750,184	12,014,479
Ratio of Losses Incurred to Premiums Earned	58.1%	51.3%
Ratio of Underwriting Expenses Incurred to Premiums Earned	48.4%	42.2%
Net gain from Underwriting and Profit and Loss Items	1,530,220	1,939,919
Net Gain from Investments	616,862	854,137
Net Increase in Surplus	847,251	937,071
Net Premiums Written	25,417,074	21,204,797
Losses Paid Including Adjusting Expenses	10,569,844	8,007,687
Ratio of Losses Paid to Premiums Written	41.6%	37.8%

### FOREIGN COMPANIES, UNITED STATES BRANCHES

	1940	1939
Admitted Assets	\$ 290,503,462	\$ 289,302,014
Liabilities	138,278,573	135,234,331
Surplus to Policyholders	152,224,889	154,067,683
Net Premiums Written	116,772,957	106,191,680
Losses Paid Including Adjusting Expenses	52,606,100	50,072,422
Ratio of Losses Paid to Premiums Written	45.0%	47.2%

### REINSURANCE COMPANIES

	1940	1939
Admitted Assets	\$ 98,459,665	\$ 95,546,552
Liabilities	48,900,884	43,766,133
Surplus to Policyholders	49,558,781	51,780,419
Net Premiums Written	37,653,439	31,596,177
Losses Paid Including Adjusting Expenses	17,897,160	17,518,663
Ratio of Losses Paid to Premiums Written	47.5%	55.4%

### MARINE COMPANIES

	1940	1939
Admitted Assets	\$ 24,490,399	\$ 12,335,547
Liabilities	6,230,161	4,058,885
Surplus to Policyholders	18,260,238	8,276,662
Net Premiums Written	7,215,678	4,381,139
Losses Paid Including Adjusting Expenses	3,387,033	1,786,648
Ratio of Losses Paid to Premiums Written	46.9%	40.8%

### MUTUAL FIRE COMPANIES

(Excluding Factory Mutuals and Local Farm Mutuals)

	1940	1939
Admitted Assets	\$ 370,841,405	\$ 342,953,727
Liabilities	176,451,612	153,648,968
Surplus to Policyholders	194,389,793	189,304,759
Net Premiums Written	174,469,624	156,633,341
Losses Paid Including Adjusting Expenses	76,351,582	67,542,195
Ratio of Losses Paid to Premiums Written	43.8%	43.1%
Premiums Earned	162,880,052	146,328,727
Losses Incurred Including Adjusting Expenses	78,529,608	69,439,706
Underwriting Expenses Incurred	58,099,134	53,395,854
Ratio of Losses Incurred to Premiums Earned	48.2%	47.5%
Ratio of Underwriting Expenses Incurred to Premiums Earned	35.7%	36.5%

### MUTUAL FIRE COMPANIES

(Excluding Factory Mutuals, Local Farm Mutuals and Full Coverage Automobile Companies)

	1940	1939
Admitted Assets	\$ 291,502,019	\$ 276,486,595
Liabilities	116,683,520	103,651,790
Surplus to Policyholders	174,816,499	172,834,805
Net Premiums Written	116,288,759	108,586,657
Losses Paid including Adjusting Expenses	45,135,147	42,431,292
Ratio of Losses Paid to Premiums Written	38.8%	39.1%
Premiums Earned	106,399,298	99,533,136
Losses Incurred including Adjusting Expenses	43,755,532	41,307,692
Underwriting Expenses Incurred	41,793,516	39,515,359
Ratio of Losses Incurred to Premiums Earned	41.2%	41.5%
Ratio of Underwriting Expenses Incurred to Premiums Earned	39.3%	39.7%

### FULL COVERAGE AUTOMOBILE MUTUALS

	1940	1939
Admitted Assets	\$ 79,339,386	\$ 66,467,132
Liabilities	59,766,092	49,997,178
Surplus to Policyholders	19,573,294	16,469,954
Net Premiums Written	58,180,865	48,046,684
Losses Paid including Adjusting Expenses	31,216,435	25,110,903
Ratio of Losses Paid to Premiums Written	53.7%	52.3%
Premiums Earned	56,480,754	46,795,591

Losses Incurred including Adjusting Expenses	34,774,076	28,132,014
Underwriting Expenses Incurred	16,305,618	13,880,495
Ratio of Losses Incurred to Premiums Earned	61.6%	60.1%
Ratio of Underwriting Expenses Incurred to Premiums Earned	28.9%	29.7%

### FACTORY MUTUAL FIRE COMPANIES

	1940	1939
Admitted Assets	\$ 63,402,027	\$ 61,439,673
Liabilities	31,522,517	28,350,302
Surplus to Policyholders	31,880,510	33,089,371
Premium Deposits in Force	55,576,257	53,053,005
Total Income	28,690,267	24,240,804
Losses Incurred	3,115,439	2,540,326
Losses Paid	3,302,511	3,847,118
Total Disbursements	25,353,628	23,948,594

### RECIPROCAL AND LLOYDS

	1940	1939
Admitted Assets	\$ 79,895,240	\$ 72,036,510
Liabilities	41,481,872	35,462,704
Surplus to Policyholders	38,413,368	36,573,806
Net Premiums Written	46,447,412	41,787,786
Losses Paid including Adjusting Expenses	23,161,255	19,799,816
Ratio of Losses Paid to Premiums Written	49.9%	47.4%

### FULL COVERAGE AUTO RECIPROCAL AND LLOYDS

(Included in above table)

	1940	1939
Admitted Assets	\$ 50,044,290	\$ 49,498,575
Liabilities	29,162,600	28,079,843
Surplus to Policyholders	20,881,690	21,418,732
Net Premiums Written	34,300,193	33,874,810
Losses Paid including Adjusting Expenses	18,502,115	16,821,756
Ratio of Losses Paid to Premiums Written	53.9%	49.7%

## FEDERAL INSURANCE COMPANY

40th Annual Statement, December 31, 1940

Cash in Banks	\$ 3,622,513.47
United States Government Bonds	4,694,340.05
State and Municipal Bonds	1,387,664.66
All other Bonds	1,324,052.07
Preferred and Guaranteed Stocks	3,127,238.00
Stock of Insurance Company Subsidiary	3,340,505.14
*Other Common Stocks	5,484,951.00
Other Assets	191,825.22

\*Total admitted assets \$23,173,089.61

Reserves for: Losses	\$ 1,312,009.00
Unearned premiums	3,288,366.69
Other liabilities	1,024,935.85
Security fluctuations	500,000.00

Total liabilities \$ 6,125,311.54

Capital	\$ 4,000,000.00
*Surplus	13,047,778.07
	17,047,778.07

\*Total \$23,173,089.61

Assets are valued in accordance with requirements of New York State Insurance Department. Securities carried at \$703,119.54 in the above statement are deposited with public authorities as required by law.

\* Corrected figures

### CHUBB & SON, Managers

INSURANCE OF MARINE, TRANSPORTATION, JEWELRY, FINE ARTS, FIRE, AUTOMOBILE AND OTHER PROPERTIES AND RISKS.

#### OFFICES

NEW YORK - CHICAGO - ATLANTA - MONTREAL - JERSEY CITY



## Bridge Arbitration Asked by Carriers

### State Insists on Full Payment: May Litigate

The Tacoma Narrows Bridge loss entered the arbitration phase this week when the companies writing the direct damage cover notified the Washington Toll Bridge Authority that its \$5,200,000 claim, a total loss, was excessive and that the committee representing the 23 companies placed the insurance loss at \$1,800,000, \$3,400,000 less. To this claim, Governor Langlie, who is chairman of the Authority, countered: "This offer of \$1,800,000 is ridiculous."

Paul A. Carew, manager of the Marine Office of America in Seattle, who is chairman of the committee of company representatives, issued the following statement following a meeting of the committee at which the state's total loss claim was considered:

"The Authority has served proof of loss claiming \$5,200,000 as a result of the collapse of the Tacoma Narrows Toll Bridge, contending the bridge is a total loss and is not repairable.

#### Repair Cost \$1,800,000

"Acting upon the advice of eminent engineers of national reputation, it is the definite opinion of the insurance companies that all damages to the bridge can be fully repaired at a cost of not exceeding \$1,800,000, and, accordingly, as provided by the insurance policies, a demand for an appraisal to determine the actual amount of damage has been filed today with the Authority.

"The insurance companies have not at any time indicated they are not willing to pay the actual amount of damage when determined."

Following notice that the insurance companies were invoking the arbitration clause of the contract, Mr. Carew announced the appointment of Isaac Farber Stern, consulting engineer of Chicago, to represent the companies as their appraiser in the arbitration proceedings. Under the arbitration clause, each party selects an appraiser and they in turn designate an umpire, to whom they submit all questions upon which they cannot agree privately. If the two appraisers cannot agree upon an umpire, such an umpire will be named by a Washington court of record.

#### State May Litigate

Despite the arbitration provision in the policy, state officials in Olympia last week declared that they felt certain litigation would ensue.

The basis for the companies' \$1,800,000 loss estimate was explained by Mr. Carew, who said: "It is our position that the towers and cables are repairable. We want to restore the bridge to its original condition and we are advised by the best engineers we can employ that this is possible by replacements and repairs."

The only new construction that would be required, according to the committee, would be the road deck. In a public statement, Mr. Carew pointed out that the companies are obliged to indemnify the Authority in an amount sufficient to restore the bridge to its former condition. The fact that the state is planning to build a new bridge of different size and design does not concern the insurance companies.

Regardless of outcome of the litigation, engineers recommend that the new bridge be wider and of stronger construction, but with a lighter steel mesh deck instead of concrete and with perforated side girders that will offer less wind resistance.

#### Northeastern Not the Purchaser

Although the identity of those who are consummating the purchase of Metropolitan Fire Reassurance from the French interests has not been made known it can be stated definitely that

the company has not been bought by Northeastern of Hartford. That impression gained some currency because of the fact that B. N. Carvallo is president of both companies and they are operated in close association.

#### Agents Oppose Motors Insurance

DENVER—The proposal of Motors Insurance Corporation to write insurance on cars financed by General Motors Acceptance was condemned by E. G. Udry, president Denver Association of Insurance Agents, at a meeting. He said if it could write automobile insurance it could write casualty, liability,

property damage and other forms. It was decided to solicit the support of all insurance organizations in opposition to Motors Insurance and to ask Denver banks, members of the Clearing House Association and non-members to support the agents.

Frank W. Bland, manager Pacific Coast department THE NATIONAL UNDERWRITER, was a guest, speaking on "Automobile Liability, Odd Versus Even Limit."

A new constitution was adopted and revised by-laws, with requirements for membership and the scope of activities more clearly defined.

The Denver police department's plans

for a highway safety campaign were reported. There will be billboard and other advertising. The association pledged its active support.

#### Lloyd on Executive Committee

Superintendent J. A. Lloyd of Ohio has been elected to the executive committee of the National Association of Insurance Commissioners, it is announced by Commissioner Williams of Mississippi, chairman of the executive committee.

There were two vacancies on the committee caused by the retirement of Lovejoy of Maine and the death of Woodward of Texas.

**in 1863**—seventy-seven years ago—Fireman's Fund Insurance Company began operations in San Francisco.

**in 1872**—sixty-eight years ago—its Western Department was launched in Chicago.

**in 1885**—fifty-five years ago—its Eastern Department was organized in Boston.

**in 1895**—forty-five years ago—its Southern Department was established in Atlanta. In this same year its Atlantic Marine Department was founded in New York City.

**in 1930**—ten years ago—launching of Fireman's Fund Indemnity Company completed a Group of five companies having a reputation for strength, permanence and stability.

**today,** Fireman's Fund Group—with a long record of successful operations—offers producers multiple-line facilities, plus the services of experienced insurance men whose knowledge of local conditions can be of cash register value to you. The companies of Fireman's Fund Group maintain service offices in sixty-nine cities throughout the United States and Canada.

ALBUQUERQUE  
ALBANY  
AMARILLO  
ATLANTA  
BATTLE CREEK  
BIRMINGHAM  
BOSTON  
BRIDGEPORT  
BUFFALO  
CHARLESTON, W.V.  
CHICAGO  
CLEVELAND  
COLUMBIA  
COLUMBUS  
DALLAS  
DECATUR  
DENVER  
DES MOINES  
DETROIT  
FARGO  
FRESNO  
GREENSBORO  
HARRISBURG  
HARTFORD  
HELENA  
HOUGHTON  
HOUSTON  
INDIANAPOLIS



Fire • Automobile • Marine • Casualty • Fidelity • Surety

## FIREMAN'S FUND GROUP

Fireman's Fund Insurance Company — Occidental Insurance Company  
Home Fire & Marine Insurance Company  
Fireman's Fund Indemnity Company — Occidental Indemnity Company

Head Office: SAN FRANCISCO ... Departmental Offices: NEW YORK • CHICAGO • BOSTON • ATLANTA • LOS ANGELES

KANSAS CITY  
LITTLE ROCK  
LOS ANGELES  
LOUISVILLE  
MANCHESTER  
MILWAUKEE  
MINNEAPOLIS  
MONTREAL  
NASHVILLE  
NEWARK  
NEW ORLEANS  
NEW YORK CITY  
OKLAHOMA CITY  
OAKLAND  
OMAHA  
PHILADELPHIA  
PHOENIX  
PITTSBURGH  
PORTLAND, ME.  
PORTLAND, ORE.  
POUGHKEEPSIE  
PROVIDENCE  
RENO  
RICHMOND  
SACRAMENTO  
SALT LAKE CITY  
SAN ANTONIO  
SAN FRANCISCO  
SCRANTON  
SEATTLE  
SO. NORWALK  
SPOKANE  
STAMFORD  
ST. LOUIS  
SYRACUSE  
TAMPA  
TORONTO  
TOPEKA  
WASHINGTON  
WILMINGTON  
WINNIPEG



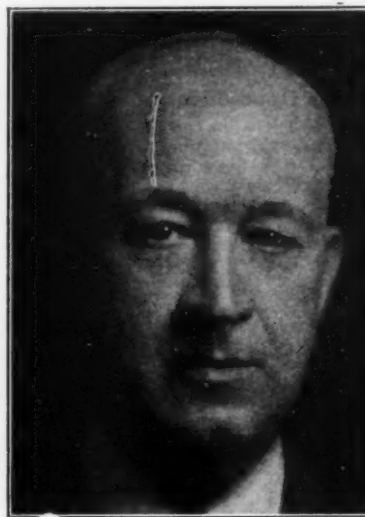
## SPEAK AT F.U.A.P. RALLY IN SAN FRANCISCO MARCH 19-20



F. N. BELGRANO, JR.  
President Pacific National Fire



R. L. COUNTRYMAN  
Pacific Coast Manager Norwich Union



CHARLES A. CRAFT  
Pacific Coast Manager Phoenix Assurance, President Pacific Board



HARRY PERK, JR.  
President California Association of Insurance Agents

## VIEWED FROM NEW YORK

By GEORGE A. WATSON

## LAGUARDIA ON FIRE FIGHTING

Mayor LaGuardia of New York in testifying before the house public buildings committee on a \$150,000,000 bill to provide community facilities for places that have had a mushroom growth as a result of the defense program, recommended that the expenditures include police and fire protection as well as schools and recreation facilities.

Part of the authorization, he contended, should be used for fire fighting equipment. He said that experts of the New York fire department had studied methods used in London and that mobile equipment is not the answer to the problem. A number of portable pumps, located throughout a large city, are needed to combat fires started by incendiary bombs during mass air raids, he declared.

The necessary equipment would cost about \$443,000 for every 10 fire companies. Bombing raids destroyed many water and gas mains in London because they were not placed at a sufficient depth under the ground, he declared.

The fire fighting equipment in American cities is insufficient to combat incendiary bombs, he declared.

## FLEMING HAS FULL SCHEDULE

Following his address before the Brooklyn Polytechnic Institute March 12, T. Alfred Fleming, head of the conservation department of the National Board, is scheduled to speak before the Ohio Chapter of Heating & Ventilating Engineers at Cleveland, March 24, the fire school at Pittsburgh the following day, National Fire Waste Council, Washington, D. C., March 27-28, and before the safety conference at Boston on March 31. In each of his addresses Mr. Fleming will discuss the new elements that have entered into manufacturing industries and into building operations, the fire hazards connected therewith, and the most effective means of meeting these.

Within a recent period Mr. Fleming spoke before 19 educational institutions, stressing to engineers and architects the wisdom of proper building construction from a fire safety standpoint.

## G. F. KERN IS NOW AT HELM

As the New York Fire Insurance Exchange follows the unwritten rule of the National Board in electing its presidents for two successive terms, A. R.

Hanners, local manager of Commercial Union, who has held the post since 1939, retired at the annual meeting Wednesday and was succeeded by George F. Kern, the former vice-president. At the same time A. H. Witthohn, vice-president of Federal, was elected vice-president, and H. M. Hess, reelected secretary and manager for the twelfth term.

Mr. Kern is a member of the agency of Fuller & Kern, before which he was at the head office of Phoenix of London. His underwriting experience embraces both office and field work, and he has a thorough knowledge of the problems of the territory.

Mr. Hess enjoys the confidence of the business. He possesses both a scientific and practical knowledge of rate-making, he is a master in dealing with the involved problems with which his office is confronted.

In his report, Mr. Hess, stated the premiums for 1939, the latest available, totaled \$24,800,000, a decrease of \$700,000 from the previous year. The 1940 figures, he anticipated, would be substantially the same as those of the preceding 12 months. The average result of all rate revisions in 1940 was a 2.9 percent reduction.

## O'BRIEN WITH HOME IN N. Y.

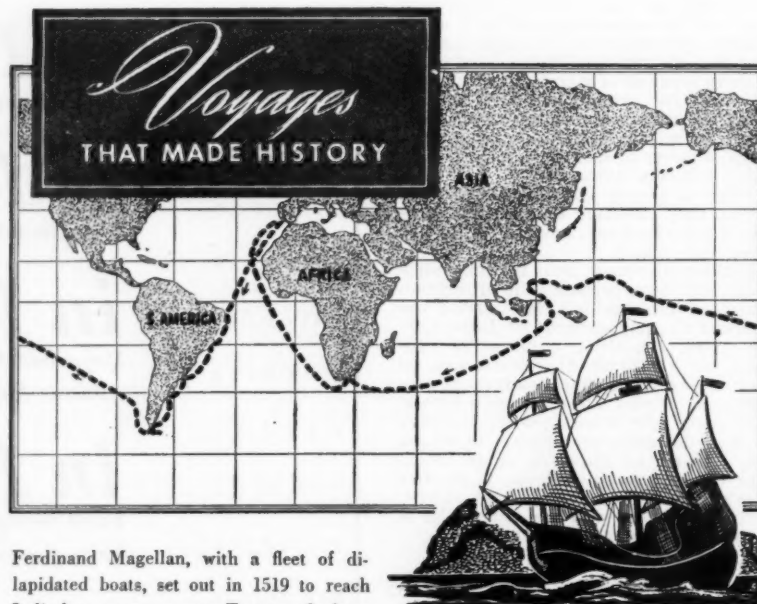
Joseph A. O'Brien, formerly secretary of De Mattia-O'Brien, Inc., Passaic, N. J., has resigned to become a special agent of the Home in downtown New York.

## FEAR MORAL HAZARD IN CUBA

Premiums derived from fire and wind-storm coverage on sugar manufacturing plants in Cuba aggregate approximately \$1,800,000 annually, about one-half the total premium income of the island. The sugar crop this year is reputed to be exceptionally large, which fact, in conjunction with the virtual loss of the British and Dutch markets because of war conditions, underwriters feel creates a moral hazard.

Stanley D. Galloway, inspector Mountain States Inspection Bureau, recently passed the bar examination for Colorado. He has conducted his studies during the evenings.

R. B. Davis, retired chief engineer of the Philadelphia Fire Bureau, has been appointed head of the navy's fire fighting force and fighting equipment.



Ferdinand Magellan, with a fleet of dilapidated boats, set out in 1519 to reach India by a western route. Two months later he reached the coast of Brazil, and continued south to Port St. Julian. Magellan then sailed through the treacherous 360 miles of newly-found straits which were to bear his name. Reaching the open sea, which he called "Pacific," he sailed for 98 days before touching land. Ten days later he discovered the Philippines, where he was killed by unfriendly natives. One ship remained to round the Cape of Good Hope and return to Spain, conclusively proving for the first time that the earth is round.

day—they risked lives and property in the name of progress.

Today, in the name of progress, Appleton & Cox, Inc., offers the latest forms of insurance on all ocean and inland marine risks. Specialists in this field since 1872—with branch offices and general agencies in principal cities throughout the world—your policyholders are assured of competent loss service wherever they may travel.

**APPLETON & COX**  
INCORPORATED  
OCEAN AND INLAND  
MARINE UNDERWRITERS  
111 JOHN STREET, NEW YORK  
Branches in Principal Cities

MAGELLAN, as well as other mariners of old, sailed the seas to "blaze a trail" for posterity. Without regard for hazards involved—without any of the many forms of protection available to-

## NEWS OF FIELD MEN

### Snapp Made Special Agent at Rockford for American

Dean B. Snapp, who has been with the American at Rockford, Ill., for the past three years, has been made special agent in the Rockford city department under Shaler G. Smith, manager.

Mr. Snapp, a Chicagoan, is the son of Fred Snapp, vice-president and underwriting manager of the State Farm Fire and formerly farm manager of the Aetna Fire at Chicago, who died two years ago. Dean Snapp received his engineering training at Armour Institute. After a period with State Farm Fire he joined American in the improved risk department at Rockford. He was in the engineering department as assistant to O. M. Spaid, head of the engineering and production department, and then went with the city department.

### Club Buys Movie Machine

DENVER—At the monthly meeting of the Mountain Field Club it was reported a motion picture and sound projection machine had been purchased for use in educational work.

Plans were made for the next few months. The May meeting will be in charge of the historical committee and it is planned to make this one of the outstanding events of the year. W. J. Kulp, manager Mountain States Inspection Bureau, is chairman.

### Plan for 1943 Grand Nest

The April meeting of the Colorado Blue Goose will initiate plans for a Mardi Gras party to start the drive for funds with which to entertain the grand nest in 1943.

### Smith with Standard in Texas

Eugene Smith, formerly with the Trinity Universal in Dallas and more recently with the Belknap & Wheeler general agency as special agent at Houston, Tex., has been appointed assistant to Tom Holleran, state agent Standard Fire of New York, in south Texas, with headquarters in Houston.

### St. Paul Names Two Specials

The St. Paul Fire & Marine has appointed Mason Carleton special agent under State Agent W. L. Burnham at Birmingham, Ala., and William Owens as special agent under State Agent R. W. Carter, Charlotte, N. C. Both have been trained in the home office.

### Christensen to America Fore

Paul A. Christensen, former athletic coach at Highland Park high school, Topeka, has been appointed special agent for the farm and hail department of the America Fore group under the supervision of Walker Moore, special agent. Offices are at 401 First National Bank building, Wichita. Mr. Christensen has been assisting Mr. Moore part time during the summers the past three years.

### Harris Joins Midstate Underwriters

James M. Harris has joined Midstate Underwriters, Inc., Omaha general agency, as state agent in Nebraska.

Mr. Harris has been in insurance for a number of years. He was with North America almost 15 years, first as special agent in Kansas, then, after a period in general agency work in Oklahoma, in Kansas and the mountain territory. After five years with North America in Colorado, Wyoming and New Mexico, he was with a local agency in Cheyenne, Wyo. He was then more than a year in the mountain field for London & Lancashire.

Midstate represents the Allemannia, Homeland and Sun Underwriters in Nebraska; the Allemannia and Homeland in Iowa.

### Automobile and Standard Hold Field Conference

Automobile and Standard Fire of Hartford conducted their annual two-day conference of field men in Chicago with some 30 attending from the mid-western territory. Home office men participating in the conference were Olaf Nordeng, vice-president; H. N. Smith, secretary, and R. R. Stone and A. J. Towne, assistant secretaries.

The first day was given over to an open forum discussion of field problems. The second day field men individually conferred with officials.

### Oklahoma Blue Goose Initiates

An initiation meeting of the Oklahoma Blue Goose was held in Oklahoma City, with R. M. Miller, most loyal gander, in charge. Six candidates were initiated.

### San Francisco Ceremonial March 17

The annual stag party and ceremonial of the San Francisco Blue Goose will be held this year March 17, two days before the annual meeting of the Fire

Underwriters Association of the Pacific. The affair usually attracts between 400 and 500. Twenty candidates will be inducted by members of the Fresno, Cal., puddle, after which there will be a cocktail hour, followed by dinner and entertainment.

The pond will hold its annual day in the country May 24 at the Diablo Country Club. George M. Parrish, Hinchman, Rolph & Landis, is chairman.

### Green to San Francisco

David Green, who started with the Pacific Board and who has been covering northern California for several years, has been appointed special agent of the Yorkshire, Seaboard Fire & Marine and London & Provincial in charge of the San Francisco bay territory.

### Nabors Joins North America

John H. Nabors, who has been with the Texas insurance commission as rating representative at Fort Worth, has been appointed special agent of the North America in south Texas, with headquarters in Houston.

### Parker Special Representative

The American of Newark has appointed Stephen E. Parker, superintendent of the improved risk department at

the home office, as special representative to specialize in surveying the larger and more complex risks. He will be associated with Samuel Reiter, New Jersey state agent, in the northern New Jersey field.

### Town Inspections Scheduled

The Ohio Fire Prevention Association will inspect Cambridge, March 26. J. Burr Taylor, Western Actuarial Bureau, will be the speaker.

The Illinois Fire Prevention Association will conduct a survey and education campaign in Oregon March 20. R. E. Verner, Western Actuarial Bureau, will address a public meeting.

### NEWS BRIEFS

J. T. Sorenson, newly appointed special agent of North America, and Painter Knox, Council Bluffs local agent, were guests at the weekly luncheon of the Iowa Blue Goose in Des Moines.

Due to ill health, Mrs. Ralph Rinard, vice-president of the Des Moines Ladies of the Blue Goose, has resigned and Mrs. Walter Nordell, secretary-treasurer, moved up to fill the vacancy. Mrs. Charles Wherry was elected secretary-treasurer.

George E. Freese, St. Paul F. & M. state agent, spoke before the Bank Audi-

# Read It Yourself...

THEN JUDGE THE VALUE TO YOUR CLIENTS OF THE STORY IT PRESENTS

• Visualize what it can mean in terms of goodwill to be instrumental in helping your customers and prospects achieve protection against fire loss far beyond the protective limits of the average policy. The reference here is to the lost production time—the time required to replace damaged or destroyed equipment, the delay entailed in putting facilities damaged, not by fire, but by the extinguishing medium, back into operating condition.

Cardox is a system of fire extinguishment (carbon dioxide stored in bulk) designed to prevent a large share of such losses. It overwhelms fires surely, swiftly, safely with absolute minimum damage. That's the system you are asked to look into, the system fully described in the Cardox Data File. Send for this file—read it—and on the basis of the facts and proofs it presents, suggest a thorough investigation to the plant and management men you call upon.



**CARDOX DATA FILE**  
Facts—Backed by Proof—on  
the Cardox System of Over-  
whelming Fires Without  
Causing Damage

Cardox Corporation,  
Bell Building, Chicago  
Please send me the Cardox Data File.

Name .....  
Address .....  
City ..... State .....

# CARDOX

CORPORATION  
BELL BUILDING  
CHICAGO, ILLINOIS



tors and Comptrollers Association district meeting in Wichita. Arrangements were made by Lloyd Bishop, Clearwater, Kan., agent.

The Blue Goose auxiliary of the Sunflower (Wichita) puddle held its monthly luncheon-bridge with Mrs. R. J. Noble, wife of the National Union state agent, as chairman, assisted by Mrs. C. W. Price and Mrs. M. E. Butler.

The proposed inspection of Great Bend by the Kansas Fire Prevention Association, set for April 10, has been postponed.

Attorney Joseph T. McDonald, collector of internal revenue for north-eastern Pennsylvania, will address the meeting of the Anthracite Field Club in Scranton, Pa., the evening of March 18.

Russell P. Heindel, who is appointed special agent in Michigan of the London Assurance and Manhattan F. & M., will assist State Agent John D. Pollock, and have offices with the latter in the Free Press building, Detroit. Mr. Heindel has had extended experience in the Michigan territory, having recently been special agent there for the Detroit National, and previously for the Frost-Brooks general agency of Saginaw.

### Confusion in Oregon as to "Open Rate" Question

SAN FRANCISCO—Because there has existed some confusion among companies and agents in Oregon over what constitutes "open rates" in respect to insurance on properties in which the federal government is interested, directly or indirectly, Commissioner Thompson has notified all home offices that all risks must be filed with the Oregon Insurance Rating Bureau. The Commissioner says in effect that no longer may agents or companies make their own decisions. It will be up to the rating bureau to say whether or not the risk is eligible for open rates.

Inquiry confirms the fact that some agents in Oregon have gone ahead and written at open rates some lines on the grounds that the government is interested. On the contrary, the commissioner points out, just because the government is interested does not mean that the bureau rates may be waived. Under the proposed procedure all dailies will be filed and checked. The bureau will determine whether or not the risk is eligible for the "open rating." If not, the daily will have to be corrected. If it is eligible the daily will be returned and must be accompanied by a signed statement from the bureau setting forth this position.

## AS SEEN FROM CHICAGO

### ILLINOIS BLUE GOOSE LUNCHEON

Much interest is being displayed by Chicago members of the Illinois Blue Goose in the luncheon next Monday at the Brevoort Hotel, Chicago, at which the sound motion picture, "Wheels Across India," will be shown. Advance registrations indicate that there will be a large turnout. The pictures were taken by the Denis-Roosevelt expedition and it contains 101 thrilling sequences.

According to the enticing literature that has gone to members of the Illinois Blue Goose, the picture features such things as devil dancers, leg paddlers, giraffe necked women.

### EVANSTON'S HIGH LOSS RATIO

The loss ratio for Evanston, Chicago's largest suburb, last year, was the highest since 1927. Its big fire last year involved Northwestern University's technological institute under construction, the loss being \$620,000. Last year's record was the darkest in Evanston's history. Its total loss reached \$710,576. The university fire is said to have been the severest one attacking a building under construction in the Chicago area. Evanston's second largest 1940 loss was Nelson Laundry, it being \$32,400.

### SUBSCRIBE TO MAGAZINE

Insurance men of the Chicago area who do not receive the Insurance Exchange Magazine regularly should subscribe at once by using the handy subscription card in this issue. The cost is only \$1 a year.

### C. W. OHLSEN FETED

C. W. Ohlsen of Chicago, western manager of the Sun, and Mrs. Ohlsen have returned from a vacation in Florida. Mr. Ohlsen was featured by the Babson Park Fire Casualty & Marine Underwriters Board, as a special committee consisting of John Florida Stafford, H. R. Loudon, W. M. Higbee and Fred W. Bowers was appointed to entertain him during his visit to that section. The golf scores are reported in an ascending ratio.

### PLAN TO REMODEL EXCHANGE

The north lobby of the Insurance Exchange building, Chicago, will undergo an extensive modernization in the next few months, when the skylight is replaced with a permanent roof and some remodeling is performed in the lobby itself.

The western department offices of National Fire on the second floor at

present face down into the rotunda and receive part of their ventilation from this source. It is the intention to remove the skylight and put in the permanent roof below the second floor so that the inside windows will look out onto the court thereby offering better cross ventilation and more satisfactory light to the National Fire offices.

The top of the new roof will have a quarry tile finish and will be landscaped with a garden treatment which will serve for purely decorative purposes. The lobby itself will be redecorated, replacing the present terra cotta column enclosures with marble column enclosures. To replace the light which is now gained from the skylight, a new lighting system of the most modern design will be installed.

### Corell Honored on Retirement

LANSING, MICH.—H. B. Corell, who had been with the Michigan department 23 years before his recent replacement as first deputy commissioner, was honored at a dinner here arranged by his departmental associates and former officers and employees of the department. Among those attending were three former commissioners, Col. J. G. Emery, C. E. Gauss, and J. C. Ketcham; several former deputies, including Ralph Wade, now treasurer of Michigan Mutual Liability; J. E. Reault, now comptroller of the Macabees; L. H. Sanford, W. C. Conley and Robert Morse, all with Detroit companies; L. K. Power and W. G. O'Connell, former examiners, now with Detroit companies, and John Panchuk, former assistant attorney general serving as department counsel. A gift was presented Mr. Corell in behalf of the more than 70 guests.

### Adjourn Mo. Hearings to N. Y.

JEFFERSON CITY, MO.—Hearings in Attorney-general McKittrick's suit to oust 123 stock fire companies has been adjourned to March 13. Next testimony, from executives of companies, will be taken in New York City on that date before John H. Windsor, special commissioner of the Missouri supreme court. Hearings will be held also at Hartford and later, perhaps at Chicago.

### Denver Group to San Francisco

DENVER—Ray Stebbins, R. B. Wallace, Herbert Johnson, H. M. Mack, and L. O. Steinmann will form the Denver delegation to the meeting of the Fire Underwriters Association of the Pacific at San Francisco.

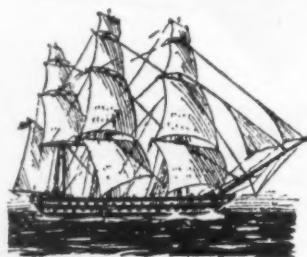


# NATIONAL UNION

FIRE INSURANCE  
COMPANY  
PITTSBURGH  
PA.



A LEADER  
AS  
A  
GOOD AGENCY  
COMPANY



1805

In 1805, the Caledonian Insurance Company came into being. The story of its growth from small beginnings in Scotland into a British Institution with world-wide ramification is a romance as inspiring as the history of the sea itself. The Company has seen the rise and fall of many institutions but shrewd and conservative finance allied to sound and efficient management has enabled the good ship "Caledonian" to weather all storms.

## ACHIEVEMENT

The United States Branch of the Caledonian Insurance Company undertakes all classes of Fire, Motor and Marine Insurance permitted to be written by a Fire Insurance Company.



1941

THE CALEDONIAN INSURANCE COMPANY  
UNITED STATES OFFICE: HARTFORD, CONN.  
ROBT. R. CLARK, UNITED STATES MANAGER  
S. D. McCOMB & COMPANY, INCORPORATED  
116 JOHN STREET, NEW YORK  
UNITED STATES MARINE MANAGERS

## NEWS OF THE COMPANIES

### Reinsurance Capital Need Indicated

The program of production and management expenses that was put into effect in 1939 by Northeastern of Hartford was reflected in the 1940 statement, according to B. N. Carvalho. Notwithstanding an increase of \$1,669,233 in premiums written, operating expenses incurred were increased by only \$36,402 which reflects taxes on the increased volume. The ratio of losses and loss expenses incurred to premiums earned was 49.6, as compared to 54.3 the previous year.

Mr. Carvalho, in reporting to stockholders, pointed out that last year was a momentous one in the reinsurance business. The conditions abroad restricting the outlet for reinsurance and the national defense program producing a large increase in direct insurance have created a situation that is most favorable to the progress of American reinsurers. Northeastern, he stated, has not been in a position to take full advantage of the circumstances due to the lack of surplus funds necessary for reserves which would be required on additional writings.

Northeastern has written a volume only commensurate with its financial structure. The company has been kept in a liquid position.

Despite an increase in premium reserve of \$840,418, the underwriting loss was only \$18,633.

Real estate owned was written down by an additional \$40,000 and the stock of Rossia International was written down by \$66,154.

Assets increased during the year by \$1,067,103 and in spite of large reserves and adjustments, the surplus decreased by only \$125,753.

### Pearl Group Companies Report 1940 Statements

Pearl has issued its new statement showing assets \$17,339,182. On a market basis the assets would be \$50,667 greater. Premium reserve is \$5,295,762, there is a statutory deposit of \$500,000 and net surplus is \$10,044,444.

Monarch Fire, an affiliated company, shows assets \$3,270,622, premium reserve \$1,585,668, capital \$819,336 and net surplus \$513,243. At market assets and surplus would be increased by \$62,358.

Eureka-Security F. & M. has assets \$7,535,953, which would be \$108,733 greater at market. Premium reserve is \$3,830,657, capital \$1,000,000 and net surplus \$1,915,066.

### Good Showing by Alliance and Philadelphia F. & M.

Alliance and Philadelphia Fire & Marine, North America companies, made strong showings in 1940.

Assets of Alliance were \$10,559,103 compared with \$10,400,821, a gain of \$198,282. Unearned premium reserve was \$2,429,255, compared with \$2,322,755, up \$106,500. Capital continued at \$1,000,000. Surplus was down \$233,330 to \$5,940,866. At market, assets would be \$10,801,303.

Philadelphia Fire & Marine had assets of \$6,182,728, compared with \$6,183,542 at the end of 1939. Unearned premium reserve was \$1,354,641, compared with \$1,295,103, a gain of \$59,538. Capital continued at \$1,000,000. Surplus was \$3,222,409, compared with \$3,375,728.

### New Hampshire Fire Names Young Assistant Treasurer

Harold E. Young, for the last 25 years at the home office of New Hampshire Fire, was elected assistant treasurer of the company, filling a position that has

been vacant in recent years. Mr. Young is a native of Manchester and started with New Hampshire Fire as an accountant. More recently he has been auditor.

The board of directors has declared a quarterly dividend of 40 cents per share, payable April 1 to stockholders on record March 15.

### Merchants, Denver, Report

Merchants Fire of Denver ended 1940 with assets of \$2,895,924, an increase of \$187,912. Unearned premium reserve was \$1,400,081, a gain of \$204,472. Surplus was up \$17,130 to \$843,203.

Net premium income in 1940 was \$1,382,751, an increase of \$279,030. This is about twice the net premium income of 1933. The company has paid out \$7,008,903 in losses since organization in 1904.

### Canton of Hong Kong Reports

The U. S. branch of Canton of Hong Kong in its new statement shows assets of \$282,520, premium reserve \$14,447, deposit capital \$200,000, and net surplus \$45,316. Premiums written were \$48,476, total income \$66,750. Losses paid were \$25,415. Of the premiums \$19,891 were ocean marine, \$1,150 inland marine, \$1,207 war risk direct and \$26,137 war risk exchange.

### Spring Clean-up Material

The headquarters of the United States Junior Chamber of Commerce is distributing material provided by the National Board to its local chambers, where it is being put to use in the spring clean-up campaign. This material consists of a script for a radio program to be arranged with local broadcasting stations, newspaper article, a leaflet which is offered to the public and plans for a window display. The National Board is making the material available direct to agents as well.

## STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business March 10, 1941

	Par	Div.	Bid	Asked
Aetna Cas. ....	10	4.50*	121	127
Aetna Fire ....	10	1.80*	51	53
Aetna Life ....	10	1.40*	26 1/2	28
Amer. Alliance. 10	1.20*	22 1/2	23 1/2	
Amer. Equitable 5	1.00	18 1/2	20	
Amer. Home... 10	...	5 1/2	6 1/2	
Amer. (N. J.)... 2.50	.60*	12 1/2	13 1/2	
Amer. Surety... 25	2.50	45	47	
Automobile .... 10	1.40*	36	38	
Balt. Amer. .... 2.50	.60*	6 1/2	7 1/2	
Bankers & Ship. 25	5.00	98	102	
Boston .... 100	21.00*	610	630	
Camden Fire... 5	1.00	20 1/2	22	
Carolina .... 10	1.30	29	31	
Contl. Cas. .... 5	1.50*	32	34	
Contl. N. Y.... 2.50	2.00*	36 1/2	38	
Fidelity-Phen... 2.50	2.00*	36	38	
Fire Assn. .... 10	2.50*	65	67	
Firemen's (N.J.) 5	.40	9 1/2	10 1/2	
Franklin Fire... 5	1.40*	30	32	
Gen. Reinsur... 5	2.00	39	41	
Georgia Home... 10	1.20*	23	26	
Glens Falls... 5	1.60	43	45	
Globe & Repub. 5	.50	9	10	
Gt. Amer. Fire. 5	1.20*	25 1/2	27	
Gt. Amer. Ind.. 1	.20	10	11	
Halifax .... 10	1.60**	10	12	
Hanover Fire... 10	1.20	25 1/2	27	
Hartford Fire... 10	2.50*	82	84	
Home Fire Sec. 10	...	1 1/2	2 1/4	
Home (N. Y.)... 5	1.60*	31 1/2	33	
Ins. Co. of N. A. 10	3.00*	68 1/2	70	
Maryland Cas.. 1	...	2 1/2	3 1/4	
Mass. Bonding. 12.50	3.50	62	65	
Mer. (N.Y.) Com. 5	2.00*	47	49	
Natl. Cas. .... 10	1.00	24 1/2	26	
Natl. Fire .... 10	2.00	58 1/2	60 1/2	
Natl. Liberty... 2	.40	7 1/2	8	
Natl. Un. Fire.. 20	5.00*	139	144	
New Amst. Cas. 2	.77 1/2	17	18	
New Hampshire 10	1.80*	45 1/2	47 1/2	
Northern (N.Y.) 12.50	5.00*	97	100	
North River ... 2.50	1.00	24	26	
Ohio Cas. .... 5	1.20	35	38	
Phoenix, Conn.. 10	3.00*	83	86	
Preferred Accl.. 5	.80	14 1/2	15 1/2	
Prov. Wash. ... 10	1.40*	34 1/2	36	
St. Paul F.&M.. 62.50	8.00	238	248	
Security, Conn. 10	1.40	33	35	
Sprgfd. F. & M. 25	4.75*	119	124	
Standard Accl.. 10	2.50	47	49	
Travelers .... 100	16.00	395	410	
U. S. Fire .... 4	2.00	47	49	
U. S. F. & G... 2	1.00	22	23 1/2	

\*Includes extra. \*\*Canadian funds.

## Eagle Star Insurance Company Ltd.

90 John Street, New York

### UNITED STATES BRANCH

### FINANCIAL STATEMENT, DECEMBER 31, 1940

#### ASSETS

Cash in Banks and Offices.....	6.88%	\$ 434,623.62
United States Government Bonds.....	27.95	1,765,123.00
State and Municipal Bonds.....	6.73	424,926.00
Public Utility Bonds.....	4.17	263,343.00
Railroad Bonds .....	11.47	724,524.00
Industrial and Miscellaneous Bonds....	1.46	92,039.00
Accrued Interest on Bonds.....	.40	25,028.68
Public Utility Preferred Stocks .....	4.92	310,680.00
Public Utility Common Stocks .....	1.95	122,900.00
Bank and Trust Company Stocks.....	1.56	98,800.00
Industrial Preferred Stocks .....	3.71	234,300.00
Industrial Common Stocks .....	14.72	929,600.00
Miscellaneous Stocks .....	.22	13,589.00
Agents Balances under 90 days in Course of Collection .....	10.96	692,297.89
Due from Reinsuring Companies on Paid Losses .....	2.51	158,662.99
Association Deposits .....	.20	12,895.56
Notes Receivable .....	.19	12,218.86
Total Admitted Assets.....	100%	\$6,315,551.60

#### LIABILITIES

Reserve for Unearned Premiums on Policies in Force .....	\$1,998,174.37
Reserve for Unadjusted Losses and Adjustment Expenses .....	623,122.82
Reserve for State and Federal Taxes.....	67,200.00
Reserve for Miscellaneous Accounts Payable.....	23,950.00
Reserve for Funds held under Reinsurance Treaties .....	335,618.36
Total Liabilities .....	\$3,048,065.55
Statutory Deposit .....	\$ 500,000.00
Net Surplus .....	2,767,486.05
Surplus to Policyholders.....	3,267,486.05
	\$6,315,551.60

Securities carried at \$641,440.00 in above assets are deposited with various States as required by their laws. All other securities are held by Bankers Trust Company of New York, Trustee appointed in accordance with the laws of the State of New York.

89.84% of the assets shown are in the custody of the Trustee and the various States.

100% of Investments are in American Securities



# Underwriting—Investment Exhibit

## FOR 1940 FROM THE 1941 ARGUS FIRE CHART

Earned Prem's	Losses Incurred Incl. Adj. Expenses	Underwriting Expenses Incurred	Ratio to Earned Prem's	Company	Gain from Underwrtg. & Profit & Loss Items	Gain from Investments	Net Increase in Surplus
Inc.	Inc.	Inc.	Loss Exp. Inc.				
23,326,358	11,152,904	11,880,252	47.8	Aetna	252,900	1,491,523	309,437
6,607,359	3,333,071	3,259,477	50.4	Agricultural	10,084	45,756	-332,237
504,920	239,801	274,602	47.5	Albany	-8,999	29,138	33,673
1,395,105	618,247	759,339	44.3	Allemania	17,492	-54,718	-181,226
1,549,320	580,343	651,933	37.4	Alliance, Eng.	335,921	73,678	312,014
2,658,146	1,222,101	1,335,111	46.0	Alliance, Pa.	49,860	230,133	-233,330
206,841	75,361	80,279	36.6	Allied, N. Y.	50,325	11,936	-25,921
1,005,943	439,589	423,953	43.7	Allstate	142,098	31,440	93,133
1,854,194	885,026	960,482	46.7	Amer. Alliance	28,183	221,950	-109,867
1,511,537	682,920	738,065	35.7	Amer. & Foreign	509,174	96,670	350,137
3,667,214	1,693,569	1,702,678	46.2	Amer. Auto Fire	266,580	13,609	80,188
2,215,737	1,078,041	1,219,065	48.6	Amer. Central	-78,276	77,476	-193,707
396,811	162,758	171,240	41.0	Amer. Druggists	58,634	25,818	-23,228
3,131,223	1,529,829	1,432,398	45.7	Amer. Eagle	172,081	60,000	-63,605
4,665,558	2,306,088	2,415,388	47.2	Amer. Equitable	45,184	150,148	-49,566
476,103	244,222	219,236	51.3	Amer. Fire & Cas.	21,317	23,078	18,552
49,420	9,494	44,009	19.2	Amer. Fire D. C.	-4,087	34,509	12,423
110,574	65,293	56,473	50.0	Amer. Fire, Tex.	-12,751	13,108	357
1,871,356	1,067,194	746,690	57.0	Amer. General	56,443	-15,948	188,597
1,267,691	864,951	704,740	68.2	Amer. Home	-288,342	-2,241	-292,064
2,144,508	1,148,750	974,912	53.6	Amer. Indemnity	20,881	144,119	125,000
14,489,034	7,592,756	6,840,488	52.4	Amer. N. J.	151,711	382,308	-475,530
665	65	2,527	9.8	Amer. Motorists	-1,926	-179	
		-12,324		Amer. National	12,324	50,876	13,199
2,931,996	1,982,455	1,211,223	67.6	Amer. Reserve	-296,335	-19,159	-478,279
314,857	179,628	125,877	57.0	Amer. American Security	9,552	3,448	12,999
2,156,435	1,136,899	984,968	52.7	Amer. States	36,561	67,067	50,000
297,083	149,564	145,506	50.4	Amer. Union	2,399	117,208	17,606
723,841	360,203	295,535	49.8	Anchor	67,732	-1,681	16,550
70,502	16,645	63,140	23.6	Associated F. & M.	-9,272	6,867	-57,292
		28,089	43.9	Associated Genl.		909	199,266
		1,616,821	47.7	Atlantic City	-17,866	5,323	-16,543
3,130,453	1,492,222	1,616,821	47.7	Atlantic, N. C.	15,341	10,717	26,057
13,365,360	6,240,212	6,693,692	46.7	Atlas Assur.	18,064	121,527	-58,508
				Automobile, Conn.	389,435	401,585	641,019
2,084,956	1,090,256	937,408	52.3	Baltimore American	43,533	30,625	-165,841
15,658	8,400	9,311	53.6	Baltimore Natl.	-2,053	231	-5,880
4,193,597	2,246,168	2,008,766	53.6	Bankers & Shippers	-60,209	-136,612	-389,107
12,776	4,303	-871	33.6	Bankers F. & M., Ala.	10,888	21,841	2,379
530,428	264,144	307,243	49.8	Bankers, N. C.	-55,055	35,863	-73,392
199,068	78,525	97,543	39.4	Birmingham, Ala.	22,927	37,467	31,244
5,229,909	2,387,735	2,597,058	45.7	Boston	219,184	420,702	-234,528
620,251	307,051	314,063	49.5	British America	1,506	-27,473	-198,616
1,355,742	525,938	564,164	38.8	British & Foreign	267,025	76,289	206,280
385,630	189,520	205,960	49.1	British General	-9,086	41,442	-112,435
134,845	62,540	96,304	46.4	Buckeye Union Fire	-23,812	30,354	4,648
2,216,713	1,038,044	1,184,069	46.8	Buffalo	-17,813	121,291	20,583
231,266	122,605	139,901	53.4	Caledonian-Amer.	-33,493	-26,295	-179,883
1,744,699	827,152	909,304	47.4	Caledonian	16,604	36,852	288,060
720,923	331,595	783,837	87.6	Calvert	70,418	15,029	85,446
1,363,828	664,000	741,512	49.7	California	-37,367	105,029	-61,332
6,257,367	3,111,483	2,909,906	46.7	Camden	240,090	265,990	43,965
164,458	83,465	90,405	56.8	Canadian Fire	-19,500	61,151	45,233
67,879	16,020	13,769	23.6	Canton	36,959	-2,167	-3,564
16,763	1,095	8,293	6.5	Capital, N. H.	7,885	8,636	12,549
287,226	134,624	144,185	46.9	Capital, Cal.	6,182	77,537	78,865
882,752	492,166	424,331	55.8	Carolina	-33,530	71,638	-26,892
3,996	817	2,742	20.4	Carolina Natl.	437	3,206	3,083
1,050,879	479,539	560,236	45.7	Central, Md.	11,262	-126,024	-189,761
246,342	121,115	131,585	49.2	Central Surety	-6,731	14,279	7,548
114,728	59,565	66,070	52.2	Central Union	24,388	44,739	20,351
2,096,235	999,020	963,692	47.7	Century	124,738	17,784	-165,924
		246,837		Charter Oak	246,837	19,576	452,739
1,229,554	783,257	387,531	62.0	Christiana Genl.	78,664	-175,139	-205,829
54,869	20,846	24,716	38.0	Church Prop.	9,306	-13,733	-7,882
479,809	210,858	194,585	44.0	Citizens, N. J.	72,949	104,960	147,908
2,363,863	1,430,924	1,155,745	60.5	City, N. Y.	-239,992	-5,360	-425,333
76,686	46,294	123,019	60.4	Colonial Assur., Pa.	-92,497	-8,197	-91,694
546,384	290,519	262,813	53.2	Columbia, O.	-3,316	62,075	-54,920
703,853	330,714	383,513	47.0	Columbia, N. Y.	-15,487	102,304	-93,514
1,510,863	750,007	743,689	49.6	Commerce	15,844	-81,990	-61,164
46,824	12,620	23,680	27.0	Commercial Fire, Ga.	10,524		12,707
3,501,882	1,733,922	1,428,366	60.9	Commercial Standard	-78,788	82,714	-59,162
6,777,215	2,974,646	2,928,112	43.9	Coml. Union, Eng.	862,410	203,301	298,564
861,616	420,276	485,503	48.8	Coml. Union, N. Y.	-42,122	34,433	-71,259
1,899,292	835,779	935,069	49.0	Commonwealth	125,008	171,390	44,141
1,621,485	780,069	837,999	48.1	Concordia	5,959	48,382	-25,405
5,799,374	2,753,359	2,883,414	47.5	Connecticut	163,659	660,466	90,247
326,902	162,301	186,294	49.6	Constitution Reins.	-21,603	4,781	483,088
20,412,284	9,898,325	9,303,175	48.5	Continental	1,257,649	-78,254	-2,100,105
431,841	200,036	217,457	46.3	County, Pa.	14,247	102,349	24,096
287,139	220,705	296,564	76.9	Dearborn Natl.	-238,509	26,362	-185,443
802,646	371,457	384,917	46.3	Deaort F. & M.	52,072	-68,394	-136,322
		5,714		Detroit Natl.	-9,461	2,882	-6,569
277,197	147,427	140,000	52.2	Dieve	-11,277	26,492	14,946
2,984,799	1,783,616	1,567,492	59.8	Dubque F. & M.	-387,475	177,050	-119,781
931,388	546,823	408,574	58.7	Eagle, N. J.	-25,559	-66,331	-108,210
526,186	277,013	317,659	52.6	Eagle, N. Y.	-49,467	68,304	-39,297
2,639,618	1,242,222	1,220,679	47.0	Eagle Star	182,216	-54,494	-83,451
638,400	249,358	287,976	39.1	East & West	2,107	106,449	83,108
658,034	343,378	284,672	52.2	Economy Auto, Ill.	51,901	8,783	29,046
4,051,683	2,472,441	988,768	61.0	Emmaco	585,221	28,883	-65,895
1,463,520	766,699	679,721	52.4	Empire State	15,737	52,553	-21,710
2,907,328	1,220,532	1,104,515	59.2	Employers Cas.	186,743	77,865	18,389
2,917,901	1,268,358	1,568,178	44.1	Employers Fire	62,688	-19,722	-19,722
230,338	131,948	114,066	57.3	Equitable, S. C.	246,351	32,104	60,728
1,159,874	546,550	566,761	47.1	Equitable F. & M.	54,923	124,712	62,733
69,372	2,600	30,222	3.7	Equity, Mo.	7,124	8,414	68,642
3,305,257	1,664,067	1,955,679	50.3	Eureka-Security	-355,891	144,470	-180,835
293,056	108,348	164,529	36.9	Excelsior	21,968	9,831	11,454
237,544	96,935	-30,965	24.0	Export	212,540	58,401	72,467
612,697	297,320	328,740	45.5	Farmers, Pa.	-7,288	51,445	33,829
5,618,776	2,351,566	2,527,850	41.9	Federal, N. J.	713,628	290,749	434,068
1,029,289	433,100	453,607	42.5	Federal Union	134,628	57,839	96,401
16,860,685	8,348,530	7,739,669	45.9	Fidelity-Phenix	1,185,639	-80,378	-1,135,795
5,083,436	2,416,621	2,649,833	47.6	Fidelity & Guaranty	7,124	83,925	-21,001
9,789,687	4,980,122	4,951,255	50.9	Fire Assn.	-161,332	354,359	-295,109
172,680	46,653	133,616	27.0	Firemen, D. C.	-8,476	42,388	13,311
17,347,607	8,163,316	7,572,694	47.0	Fireman's Fund	1,611,479	1,576,381	597,478
13,880,150	6,708,986	7,164,940	48.3	Fireman's N. J.	11,403	-35,755	-776,097
64,612	5,103		7.9	First Kentucky	4,597	6,165	10,762
931,666	533,292	406,013	57.2	First American	-6,071	-12,085	-168,123

Earned Prem's	Losses Incurred Incl. Adj. Expenses	Underwriting Expenses Incurred	Ratio to Earned Prem's	Company	Gain from Underwrtg. & Profit & Loss Items	Gain from Investments	Net Increase in Surplus
Inc.	Inc.	Inc.	Loss Inc. Exp. Inc.				
361,525	162,504	346,630	45.0	First National	-147,610	31,474	-113,135
7,996,331	4,404,069	3,832,066	55.1	Franklin	-287,792	356,381	-771,410
514,985	259,466	251,686	50.4	Franklin Natl.	1,819	32,900	35,714
893,698	451,341	390,561	50.4	Freeport Motor Cas.	52,255	19,315	25,571
405,436	212,661	179,597	52.5	French Un. & Univ.	13,178	30,096	34,336
		5,703		Fulton Fire	-6,125	20,212	-13,151
23,660,760	16,432,099	3,579,907	69.6	General Exchange	3,685,440	-550,948	-1,200,590
2,191,851	1,287,693	1,024,709	58.8	General, France	-119,248	-9,898	-111,405
1,508,142	763,519	680,525	50.7	General, Italy	72,739	15,413	251,585
7,585,812	3,395,075	3,666,327	44.8	General, Wash.	498,562	342,912	239,897
138,523	81,725	82,374	59.0	General Schuyler	-22,742	16,943	-10,799
1,266,167	725,758	627,251	57.3	Georgia Home	-88,773	98,438	-55,334
1,570,388	867,120	754,213	55.2	Gibraltar F. & M.	-53,981	54,510	-139,471
1,621,502	780,425	837,322	48.1	Girard F. & M.	8,992	92,909	-22,618
7,925,413	3,719,954	3,867,023	46.9	Glens Falls	373,642	-274,357	-967,550
2,701,094	1,276,381	1,307,520	47.2	Globe & Republic	26,118	71,532	-27,890
3,736,395	1,064,488	1,850,576	54.0	Globe & Rutgers	-157,254	-604,127	-1,172,044
16,789	7,245	8,175	43.2	Globe, S. D.	1,378	3,131	1,154
1,424,765	684,579	733,394	48.1	Granite State	3,954	111,592	-4,453
13,546,747	6,302,331	6,767,290	46.5	Great American	536,943	773,285	-488,183
81,634	23,900	43,717	29.3	Great Eastern	14,252	86	6,738
2,134,614	1,076,905	1,114,080	50.4	Gulf, Tex.	-54,735	156,590	1,554
331,764	174,794	41,121	52.7	Halifax	119,084	69,166	-269,284
154,869	96,390	133,053	62.2	Hamilton	-71,669	-34,563	-93,217
6,158,641	3,157,557	3,112,673	51.3	Hanover	-93,255	85,105	-656,255
39,508,440	19,131,354	18,164,970	48.4	Hartford	2,182,546	1,740,136	1,259,033
3,160,214	1,519,327	1,471,706	47.9	Home F. & M.	174,668	187,836	217,559
59,176,487	32,109,061	28,810,059	54.3	Home, N. Y.	-2,033,315	-1,199,851	-8,057,138
582,283	403,577	432,824	47.4	Homeland	18,040	91,209	1,206
1,491,627	841,046	725,077	48.5	Homestead	-73,583	45,974	-127,609
100,113	57,938	104,964	57.8	Hudson	-62,399	211,941	-40,898
454,671	260,915	191,054	57.4	Illinois Cas.	2,475	4,785	7,260
116,132	45,771	74,230	39.4	Illinois Fire	-3,516	8,737	5,137
829,758	454,426	341,553	51.1	Illinois Natl. Cas.	32,193	-11,857	20,634
935,280	434,099	510,797	46.4	Imperial	-7,922	118,585	-77,900
603,379	289,729	233,744	48.0	Indem. Marine	82,275	39,587	64,958
988,248	534,209	438,802	44.1	Indiana	14,875	13,499	28,374
27,434,938	12,682,467	13,585,679	46.1	Ins. Co. of N. A.	1,146,428	1,638,763	-1,036,884
2,162,798	1,134,649	1,164,784	52.4	Ins. Co. of State of Pa.	-181,751	-38,735	-319,935
2,290,607	1,344,968	1,118,182	58.7	International	-173,835	-58,930	-329,922
2,535,762	1,162,138	1,140,412	51.6	Inter-Ocean Reins.	-66,857	14,494	-161,350
1,221,345	671,488	453,985	55.0	Interstate	95,979	31,531	87,529
5,366	2,182	1,758	40.7	Iowa Fire	1,363	10,169	11,352
2,327,985	1,239,370	1,118,542	53.2	Jersey, N. Y.	-29,788	-78,306	-200,165
51,671	38,364	-38,832	74.2	Jupiter Genl.	52,140	61,903	-64,923
418,122	226,954	90,295	54.3	Kansas City F. & M.	100,352	-2,748	-
224,538	67,702	95,981	30.3	Keystone Auto. Fire	60,569	60,144	-967,550
2,033,928	961,140	1,052,382	47.2	Knickerbocker	19,559	86,701	-21,762
108,197	40,983	33,987	77.8	La Fayette	14,162	36,184	14,346
676,724	308,108	354,345	45.5	Law Union & Rock	13,197	23,072	-78,048
167,644	109,489	66,082	65.3	Lincoln, N. Y.	-7,899	2,684	-8,138
1,348	642	2,616	47.6	Lion, N. Y.	-1,909	3,124	-
4,232,102	3,812,169	4,259,930	46.3	L. & L. & Globe	175,410	235,120	-619,378
4,550,083	2,112,225	2,087,311	46.4	London Assur.	356,125	13,920	553,474
3,183,454	1,592,228	1,660,373	50.0	London & Lanc.	-76,865	44,288	-289,307
313,117	177,252	171,940	56.6	London & Prov. Mar.	-33,941	44,988	1,123
345,574	170,822	206,082	49.4	London & Scot.	-31,684	52,912	-62,424
1,828	376	-1,252	20.6	Louisville F. & M.	2,704	621	1,967
1,587,330	819,349	809,887	51.6	Lumbermen, Pa.	-47,448	132,883	-35,978
893,077	478,747	550,761	53.6	Manhattan F. & M.	-137,050	52,647	-134,941
178,101	63,914	107,736	59.3	Manufacturer's, Pa.	2,646	108,638	52,189
2,436,335	878,099	964,758	36.0	Marine, Ltd.	680,565	69,596	718,902
387,591	123,226	150,591	31.8	Maritime, Ltd.	113,994	56,303	-38,471
372,669	183,574	220,261	49.3	Maryland	-27,667	-45,840	-140,150
432,333	198,150	200,604	45.8	Mass. F. & M.	33,477	69,399	2,876
1,117,937	662,629	566,558	50.4	Mechs. & Traders	-9,634	60,361	50,727
38,931	1,345	26,381	4.0	Memphis	11,348	11,348	-
1,916,773	925,317	950,680	48.1	Mercantile	-4,932	163,787	7,355
1,600,648	756,692	838,066	47.3	Merrill & Mfrs.	14,893	12,312	-97,191
4,218,792	2,005,403	2,035,076	47.5	Merchants, N. Y.	278,992	96,821	-210,356
1,174,280	613,969	689,694	52.1	Merchants, Ind.	-121,888	87,509	17,130
144,862	153,786	111,224	34.6	Merchants, Colo.	-176,991	5,082	10,861
2,110,702	1,019,079	1,021,730	48.3	Mercury	67,510	317,276	183,406
1,369,350	704,728	904,065	51.5	Metropolitan, N. Y.	-238,726	66,814	-216,636
1,527,532	753,700	743,085	49.3	Michigan F. & M.	-29,779	90,674	-3,585
55,515	30,246	53,296	54.5	Midwestern F. & M.	-28,029	-28,029	-
3,579,477	1,734,003	2,005,651	48.4	Millers Natl.	-165,033	-253,305	-
4,401,094	2,117,429	2,589,902	51.6	Milwaukee Mech.	7,233	155,020	2,589
1,368,078	692,870	815,260	50.7	Monarch, O.	-137,305	104,984	-23,693
4,767,196	3,289,392	2,434,596	69.0	Monarchs Ins. Corp.	-1,010,292	13,011	947,855
848,466	454,986	358,033	53.6	Motor Vehicle Cas.	33,116	-40,378	-35,975
154,369	110,573	38,306	71.6	Mount Beacon	5,456	5,621	6,077
712,281	440,960	366,565	61.9	Natl. American	-96,793	16,094	-108,632
4,040,528	1,685,187	1,624,599	41.7	Natl. Auto., Cal.	668,027	74,418	532,701
1,623,908	780,114	748,719	48.0	Natl. Ben Franklin	4,418	21,722	-53,908
15,056,740	7,573,531	4,439,716	50.3	Natl. Fire, Hartford	40,926	1,085,108	85,109
805,744	345,053	461,821	42.8	Natl. F. & M.	12,977	4,219	4,037
103,548	28,734	25,082	27.7	Natl. Garage Fire	50,096	24,098	5,617
148,609	61,499	80,498	54.1	Natl. Colo.	6,591	5,721	2,536
5,636,605	2,952,397	2,520,785	52.4	Natl. Liberty	68,367	240,891	-490,741
243,971	130,220	200,877	53.4	Natl. Reins.	-87,126	-410,912	-498,038
1,270,998	715,251	616,780	56.3	Natl. Reserve	-75,348	78,565	-1,633
554,179	256,087	255,818	46.2	Natl. Security	36,691	57,782	9,720
5,426	85,675	55,673		Natl. Sur. Marine	-138,861	20,800	-120,841
60,728	10,447	50,423	71.2	Natl. Union, D. C.	742	25,257	11,000
8,233,953	4,152,163	4,125,032	50.4	Natl. Union, Pa.	-98,014	355,302	-403,543
373,946	198,382	201,068	53.1	Netherlands	-25,880	-103,083	-233,749
2,934,470	1,302,515	1,397,061	44.4	Newark	23,683	104,069	81,857
1,826,374	985,590	882,779	54.0	New Brunswick	-59,188	-1,167	-230,485
4,689,224	2,381,106	185,231	48.8	New England	-3,291	23,831	-20,694
378,388	181,256	111,563	47.9	New Hampshire	-3,291	747,080	218,892
2,334,279	1,103,098	1,207,217	47.3	New York Mfrs.	88,425	51,114	29,740
1,408,262	609,465	603,705	43.3	New York Fire	23,104	-25,344	-187,270
610,207	263,462	274,148	43.2	New York Und.	190,390	220,930	133,298
4,604,949	1,914,961	2,365,479	41.6	New Zealand	73,046	116,603	19,692
6,366,024	3,048,363	3,136,603	47.9	Niagara	323,262	30,391	-510,811
		-7,585		N. Brit. & Merc.	196,380	374,764	-92,981
				[N. Carolina Home	7,595	61,938	29,532
3,359,359	1,664,437	1,714,593	49.5	Northeastern	-18,633	-46,200	-87,231
4,156,487	2,081,708	2,217,557	50.1	Northern, Eng.	-151,885	154,955	-88,299
4,991,521	2,372,103	2,583,301	47.5	Northern, N. Y.	36,551	70,447	-351,229

# UNDERWRITING AND INVESTMENT EXHIBIT FOR 1940

(CONT'D FROM PRECEDING PAGE)

Earned Prem's	Losses Incurred Incl. Adj. Expenses	Underwriting Expenses Incurred	Ratio to Earned Prem's Loss Exp. Inc.	Company	Gain from Underwrtg. & Profit & Loss Items	Gain from Investments	Net Increase in Surplus
6,360,235	2,982,820	3,249,998	46.9	North River	150,877	-222,350	-82,473
2,152,944	1,197,044	1,252,875	58.2	North Star	-298,675	-175,376	-474,051
751,563	346,452	340,740	46.1	N. W. F. & M.	83,854	93,565	17,711
4,516,598	1,827,288	2,628,114	40.4	N. W. Natl.	59,423	1,435,737	1,060,161
2,944,860	1,426,973	1,536,220	48.5	Norwich Union	-24,206	155,067	130,861
1,225,198	582,845	554,984	47.6	Occidental	87,386	65,972	21,414
367,867	113,415	148,377	30.8	Ocean Marine	106,234	15,615	121,849
7,280,368	3,619,496	3,206,987	44.1	Ohio Casualty	513,618	141,069	654,687
2,576,675	1,184,723	1,555,939	46.0	Ohio Farmers	-189,299	208,392	19,093
320,982	122,032	157,367	38.0	Ohio Ins. Co.	40,513	-7,908	32,605
1,786,856	800,009	827,361	46.3	Old Colony	155,574	170,223	325,797
30,398	15,235	15,506	50.1	Old Dominion	-507	19,503	18,996
1,543,337	723,950	826,671	46.9	Orient	-8,735	-7,218	-15,953
482,236	251,222	248,705	52.1	Pacific Coast	-19,428	49,631	30,203
4,261,664	2,252,613	2,019,576	52.9	Pacific	-11,875	-98,106	-110,000
5,077,267	2,757,583	2,606,473	54.3	Pacific Natl.	-300,852	394,760	94,908
951,971	467,949	536,935	49.2	Palatine	-36,027	104,061	68,034
28,761	16,239	12,495	58.5	Paramount	39,069	13,979	53,048
624,934	299,903	323,379	48.0	La Paternelle	27	7,496	7,523
1,516,004	836,099	763,956	55.1	Patriotic	-1,471	32,747	31,276
5,168,401	2,878,780	2,621,944	55.7	Paul Revere	-96,844	36,967	-59,877
4,235,578	1,917,313	2,090,766	45.3	Pearl Assur.	242,531	494,019	736,550
31,506	8,678	40,882	27.5	Pa. Fire	220,860	450,162	671,022
149,172	21,949	40,882	27.5	Penn. Liberty	-20,134	7,825	-12,309
1,495,383	688,144	751,146	46.0	Phila. F. & M.	101,794	31,535	133,329
650,983	332,425	335,656	51.1	Philadelphia F. & M.	30,163	36,418	66,581
9,610,381	4,547,662	4,780,407	47.3	Philadelphia Natl.	-15,976	57,540	41,564
3,171,608	1,517,679	1,742,738	47.9	Phoenix, Conn.	269,463	1,802,577	2,072,040
1,276,022	741,390	530,025	58.1	Phoenix, Eng.	-100,608	276,981	176,373
695,366	354,505	422,021	61.3	Piedmont	-4,264	75,356	71,092
100,034	47,914	41,506	47.9	Pilot Reins.	-85,160	113,240	28,080
8,645	3,923	19,769	45.4	Pioneer Equit.	10,484	1,657	12,141
2,368,560	1,176,450	1,164,813	49.6	Pioneer, Ill.	-14,587	-5,914	-20,502
666,398	374,065	310,164	57.3	Potomac	19,164	54,072	73,236
357,199	185,860	157,022	52.0	Preferred Auto.	15,021	23,131	38,152
6,392,914	3,065,797	2,998,738	47.3	Preferred Fire	11,378	10,761	22,139
430,670	256,655	183,916	59.6	Providence Wash.	305,012	-114,353	190,659
2,743,050	1,222,535	1,321,636	62.8	Prudential N. H.	-10,211	-55,931	-66,142
308,389	343,422	475,453	42.5	Prudential, N. Y.	-503,023	82,548	-420,475
7,706,437	3,496,361	3,768,968	45.4	Prudential Okla.	5,458	6,563	11,021
833,498	431,096	473,329	51.7	Quaker City	-24,573	3,007	-21,566
1,025,474	148,595	181,379	53.0	Queen	-42,352	228,554	186,202
1,205,977	523,469	522,377	51.0	Reins. Corp. of N. Y.	-70,929	-400,723	-471,652
362,719	122,527	134,753	33.8	Reliable, O.	-50,734	74,505	23,771
2,435,192	992,701	1,510,929	40.8	Reliance, Pa.	-12,694	58,388	45,694
86,096	20,691	51,497	24.0	Reliance Marine	105,530	45,080	150,610
121,404	85,665	112,591	70.6	Republic, Tex.	-75,188	167,352	92,164
1,932,010	897,594	1,251,858	48.5	Reserve, N. Y.	13,663	49,341	63,004
1,090,976	494,431	547,929	45.3	Resolute Fire, R. I.	-76,942	4,788	-72,154
802,646	371,457	377,739	46.3	Rhode Island	-219,012	-90,446	-309,458
91,755	47,057	52,184	51.3	Richmond	41,401	-7,702	33,699
3,244,306	1,633,758	1,638,069	50.4	Rochester Amer.	53,250	58,822	112,072
8,720,675	3,952,267	4,521,475	45.3	Rocky Mountain	-7,315	22,703	15,388
597,941	340,122	278,589	56.9	Royal Exchange	-20,548	-12,591	-33,139
504,044	204,676	287,155	46.0	Royal	21,044	253,526	274,570
13,059,444	6,444,937	6,007,660	49.3	Safeguard	-21,724	-17,566	-39,290
2,824,445	1,499,194	1,402,540	53.1	St. Louis F. & M.	12,728	8,550	21,278
2,901,835	817,753	838,707	37.1	St. Paul F. & M.	632,815	2,805,373	3,438,188
964,937	528,376	529,824	54.8	Seaford F. & M.	-85,347	285,084	199,737
287,226	134,624	145,022	46.9	Seaboard, Md.	404,337	150,023	554,360
693,309	296,989	435,045	42.8	Security, Ia.	-8,447	71,320	62,873
4,357,744	2,063,115	2,199,390	47.3	Security, Conn.	37,845	7,864	45,709
355,864	195,016	202,371	54.8	Security Natl.	-43,357	21,931	-21,426
77,899	25,139	32,758	32.3	Selected Risks	19,608	5,229	24,837
382,156	188,264	188,051	49.3	Sentinel	5,849	32,596	38,445
2,477,761	1,810,183	552,461	73.0	Service, N. Y.	2,761,611	11,239	2,772,850
1,635,954	1,007,873	798,994	61.6	Skandia	-171,996	-24,813	-196,809
765,585	536,903	234,213	70.1	Skandinavien	-5,531	-110,208	-115,739
100,861	37,597	45,195	37.3	South British	18,025	85,564	103,589
785,713	416,707	348,690	53.0	South Carolina	20,316	1,045	21,361
18,391	13,121	44,282	71.3	Southern F. & M.	-39,013	10,408	-28,605
505,959	211,719	253,244	41.8	Southern, N. C.	39,323	6,919	46,242
2,089,197	834,590	1,135,212	40.0	Standard, Conn.	117,490	41,457	158,947
13,037,908	6,423,473	6,403,323	49.2	Springfield F. & M.	213,204	440,525	653,729
943,690	439,000	476,141	46.5	Standard, N. J.	28,892	25,892	54,000
1,641,860	748,652	824,624	45.6	Standard, N. Y.	-25,945	599	-25,346
2,362,870	1,164,187	1,356,867	49.3	Star	-753,035	25,896	-727,139
2,390,574	1,079,283	1,162,268	45.1	State, Eng.	148,907	55,533	194,440
593,514	304,789	335,329	51.4	State Farm Fire	-46,666	-18,020	-64,686
421,327	181,077	271,105	43.0	Stonewall	-28,547	12,466	-16,081
51,446	14,211	29,448	27.6	Stuyvesant	6,790	17,268	24,058
81,890	34,453	107,300	42.1	Sumitomo	-62,598	216	-62,382
169,558	92,766	53,424	54.7	Sun	23,333	25,626	48,959
149,198	2,140,558	1,964,072	51.0	Sun Und.	68,664	-27,432	41,232
490,131	252,917	253,311	51.6	Superior, Del.	-16,789	10,398	-6,391
11,431	4,511	12,308	39.5	Svea, F. & L.	6,921	6,332	13,253
5,960,653	2,764,897	2,510,228	51.6	Swiss Reins.	85,529	236,853	322,382
1,234,033	730,507	733,205	49.6	Switzerland Gen.	168,360	58,505	226,865
14,386	3,900	5,322	33.2	Tennessee	10,486	-6,758	3,728
1,275,585	423,436	532,472	41.7	Thames & Mersey	319,724	20,414	340,138
2,821,688	1,266,727	783,931	44.9	Tokio Marine & F.	767,572	51,065	818,637
512,245	258,974	254,508	50.5	Transcontinental	-2,192	60,181	57,989
165,756	117,327	85,427	70.7	Transportation	-38,012	7,744	-30,268
13,577,737	5,991,381	7,685,034	44.1	Travelers	-106,829	308,663	201,834
4,298,394	2,214,095	2,031,944	51.5	Trinity Universal	46,511	106,659	153,170
305,575	134,549	131,616	49.0	Trinity City	47,550	53,582	101,132
977,304	479,408	520,630	49.1	Union, Eng.	-22,723	52,128	29,405
398,872	275,106	308,796	69.0	Union, France	-193,025	-9,015	-202,040
544,778	492,328	359,799	58.3	Union, Indiana	-8,760	19,427	10,667
1,213,942	493,178	608,451	40.6	Union, Canton	111,737	51,571	163,308
985,455	439,538	410,790	44.6	Union Marine	120,268	38,570	158,838
619,108	322,923	295,438	52.2	Union & Phenix	746	3,703	3,949
936,922	443,549	511,740	47.3	United Firemen's	-21,348	165,540	144,192
10,619,418	5,063,756	5,190,715	47.6	U. S. Fire	475,232	54,092	529,324
2,355,436	1,138,832	1,138,209	48.4	Universal	70,415	59,604	110,019
405,435	212,555	175,182	52.4	Urbaine	17,698	-17,989	591
781,219	422,100	315,920	57.7	Utah Home	-6,801	90,284	83,483
607,425	279,891	329,845	46.1	Virginia F. & M.	-247	25,782	25,535
189,913	81,877	103,813	43.1	Washington Assur.	41,505	46,911	88,416
38,754	26,748	69.0	Washington F. & M.	12,622	7,714	20,336	
1,188,250	638,895	575,156	54.3	West American	-45,827	26,365	-19,462
1,473,392	733,674	677,448	49.8	Westchester	543,491	206,364	750,855
781,072	387,356	429,357	49.8	Western, Ont.	66,571	-8,723	57,848
38,803	7,077	33,466	82.3	Western, Kan.	-34,592	-22,028	-56,620
1,750,060	871,653	794,704	49.8	William Penn.	-1,747	-4,194	-5,941
356,137	141,067	134,508	39.7	World F. & M.	72,560	136,315	208,875
1,565,587	886,261	856,019	54.6	Yang Tze	-173,812	116,403	-57,409
617,865	297,710	318,404	48.2	Yorkshire	348	43,746	44,094
263,679	112,261	111,239	42.6	Abington Mut., Mass.	37,550	10,479	48,029
711,555	243,825	193,859	34.3	Allied Am. Mut., Mass.	274,326	-127	274,200
673,190	301,992	322,664	44.8	Atlantic Mut. Ga.	48,490	52,652	101,142
4,877,161	2,209,362	1,725,009	45.3	Atlantic Mut., N. Y.	972,739	-612,016	360,723
661,115	288,718	300,458	43.7	Austin Mut., Minn.	43,936	16,983	60,919
668,762	82,169	270,248	12.3	Automobile Mut., R. I.	316,333	125,407	441,740
373,038	126,364	236,015	33.9	Badger Mut., Wis.	10,778	22,849	33,627
860,987	378,499	352,679	41.0	Berkshire Mut., Mass.	128,864	3,107	131,971
442,511	183,017	202,953	41.4	Cambridge Mut., Mass.	54,715	14,603	69,318
171,853	54,621	85,850					



## FIGURES FROM DEC. 31, 1940 STATEMENTS

	Assets	Changes in Assets	Reins. Res.	Changes in Reins. Res.	Capital or Stat. Dep.	Surplus	Changes in Surplus	Net Prem.	Losses Paid	Loss Ratio
Alliance, Eng.	3,072,320	+ 655,023	570,035	+ 50,173	250,000	1,479,169	+ 112,014	1,599,494	472,731	29.5
Allied Fire, N. Y.	870,287	+ 33,333	197,655	+ 28,591	400,000	222,780	- 25,922	234,433	63,774	27.2
Canadian Indemnity	640,710	+ 88,443	131,158	+ 22,485	300,000	459,576	+ 90,894	62,122	34,474	55.4
Dearborn National	1,116,603	- 10,975	328,496	+ 165,308	507,300	205,983	- 185,443	452,447	195,662	43.2
Federal, N. J.	23,173,085	+ 1,177,772	2,288,366	+ 464,307	4,000,000	13,047,778	+ 181,009	6,083,083	1,972,081	32.4
Firemen's, N. J.	1,015,981	- 12,278	268,072	+ 13,707	300,000	410,714	+ 13,311	186,388	43,238	23.2
Fuso Marine & Fire	766,900	+ 5,474	37,549	+ 4,941	250,000	310,479	- 54,172	174,499	74,596	42.7
Home, Hawaii	1,549,816		276,413		600,000	583,835		330,638	95,662	28.9
Marine, Eng.	6,141,576	+ 1,111,408	851,496	+ 21,217	250,000	3,761,135	+ 768,902	2,457,552	695,703	28.3
National Grange Fire	436,785	+ 49,835	78,147	+ 16,132	200,000	111,997	+ 5,637	119,679	28,412	23.7
Potomac, D. C.	5,588,239	+ 326,209	2,165,587	+ 276,168	1,000,000	1,795,831	+ 49,299	2,644,727	1,028,425	38.8
Reserve, N. Y.	3,434,195	+ 1,137,420	60,973	+ 45,088	1,000,000	2,340,505	+ 1,063,005	131,184	7,264	5.5
Sea, Eng.	4,904,187	+ 886,940	825,780	+ 62,721	500,000	2,430,198	+ 445,786	2,264,557	661,885	29.2
Standard Fire, N. J.	3,299,975	+ 2,081	1,308,396	+ 51,514	300,000	1,293,485	- 22,475	995,204	405,657	40.5
Tokio, M. & F.	10,369,578	- 1,860,513	396,658	- 1,491,850	500,000	8,569,495	- 559,727	1,329,537	1,143,596	85.9

## OBSERVATIONS

The speedy disposal of the 4,000 shares of Travelers and 20,000 shares of Aetna Life that were in the estate of the late Patrick McGovern of Hartford constituted one of the most interesting insurance financial transactions of all time and it was an interesting subject in financial circles generally. These offerings were absorbed almost instantaneously when they were offered, without in any way disturbing the over-the-counter market where such stocks are traded. The McGovern stock of Aetna Life was sold for \$26.50 and Travelers at \$400, and during the transaction, the Hartford local market advanced one-half point.

It is understood that no further sales are contemplated at this time, as that was the block necessary to settle the taxes. The estate was left to Mrs. McGovern who survives and one married daughter and a third portion to a nephew, Hugh McGovern who is a clerk in the liability claim department of Aetna Casualty at the home office.

One explanation as to the ease with which the stock was marketed and the lack of market repercussions that such a large offering brought about is that a syndicate had been formed prior to Mr. McGovern's death to purchase the bulk of the stock. Mr. McGovern was 93 at the time of his death and hence there had been plenty of time to prepare for the eventuality of his stock being offered for sale.

In the tabulation of fire company leaders in point of premiums, for 1940, attention was rather forcibly drawn to the fact that Motors Insurance Corporation now occupies 20th place and Emmco of South Bend is in 33rd place. Both of these companies are exclusively automobile insurers. Motors is a running mate of General Exchange, both of which are subsidiaries of General Motors Acceptance Corporation.

Until Motors Insurance was organized, the G.M.A.C. financed automobiles were insured in General Exchange, which in most states charged a rate 20 percent below manual and paid no commission.

Then, Motors Insurance was launched to handle the same business but on an entirely different basis. In the states in which it is entered it charges manual rates and pays a commission to the agents, who are General Motors dealers. Its premiums in 1940 were \$9,941,092. Because that amount of G.M.A.C. controlled business was siphoned away from General Exchange, the latter company now ranks fourth instead of third, among the fire company premium leaders. Were it not for that division, General Exchange would stand in third place.

Motors Insurance has had a battle on its hands in practically all of the states in which it has sought entry. The organized agents in the various states have put up strenuous resistance, because it involved the appointment of automobile dealers as agents.

The increase in premiums of Emmco from \$2,097,183 in 1939 to \$6,697,020 in 1940 is doubtless due to the fact that

Emmco which is a subsidiary of Associates Investment Company, one of the most important of the independent finance companies, assumed a great deal more liability and retained proportionately larger premiums for its own account last year, instead of passing the business along to reinsurers. That has been the story with a number of the insurance companies that have been started under the aegis of finance companies. Service Fire, a subsidiary of Commercial Investment Trust, for instance, greatly expanded its premium writings in 1940, doubtless reflecting the policy of decreasing its outgoing reinsurance.

Emmco takes its unusual name from the initials of its founder and principal factor in its operations, Attorney E. M. Morris of South Bend. There is a running mate in the casualty field known as Emmco Casualty.

Some of the companies that took minute shares in the American Cargo War Risk Reinsurance Exchange, doing so more or less in a spirit of abnegation of underwriting principles, are presently ruling their conservative outlook. The operations of the syndicate have so far proved very profitable although it is always emphasized that the picture may be changed overnight. Ocean marine premiums in 1940 were more than double those of 1939 and that increase is largely attributable to the premiums developed for war risk business through the syndicate.

Some of the mutual companies and two or three of the stock companies that issue participating policies have already begun to capitalize on the publicity attendant on the move of the North America to amend its charter to permit the issuance of participating policies. They are claiming that this constitutes an endorsement of the participating principle on the part of one of the largest and most responsible components of the stock company system. They gloss over the fact that the step does not necessarily mean that the North America will actually commence writing policies on a participating business. It

(CONTINUED ON LAST PAGE)

## Teano Made Agency Secretary

Richard Teano has been appointed agency secretary of the Central of Baltimore. He has been with the company since 1916, became assistant secretary in 1928, and for the past two years has had complete charge of the agency department.

## LEGISLATION

## Bill in California Would Change Method of Taxation

A constitutional amendment relating to the method of taxing insurance companies in California is called for by a resolution introduced by Assemblyman Thomas Maloney, San Francisco, now

1944, 2.50 percent; 1945, 2.45 percent; 1946, 2.40 percent.

Deductions which may be made from the tax are the principal office deduction and the real estate deduction with certain limitations. There could be deducted certain percentages of taxes paid on real estate owned in the state, not in excess of these percentages of deductible taxes paid on real estate owned in the state in 1939: 1943, 75 percent; 1944, 55; 1945, 35; 1946, 15. The tax is to be in lieu of all other taxes and licenses, state, county and municipal, with certain exceptions.

## Cal. Regulatory Bill Passed

SAN FRANCISCO—A bill comparable to the New York law governing foreign companies which was introduced in the California legislature at the request of the insurance department, has passed both houses and is up to the governor. Coordinated regulatory practice with insurance departments of other states in which foreign companies have deposited their assets is provided.

Ohio—The bill prohibiting the sale of fireworks except for exhibition purposes has passed both houses.

Minnesota—Under a new house bill all the powers and duties of the insurance commissioner would be vested in



where the need for plate glass insurance is emphatically brought home to others.

The Phoenix-London agent keeps in close touch with glaziers. As soon as a break occurs, he loses no time soliciting all adjacent stores and offices.

Owners and occupants are in a receptive mood at such a time, and the agent's efforts meet with less sales resistance. The agent also has taken advantage of an opportunity to please his prospects with Phoenix-London service—a big help in securing other lines.



## PHOENIX-LONDON Group

55 FIFTH AVENUE, NEW YORK CITY

## FIRE COMPANIES

Phoenix Assurance Co., Ltd.  
Imperial Assurance Company  
Columbia Insurance Company  
United Firemen's Insurance Co.

The Union Marine & General Insurance Co., Ltd.

## CASUALTY COMPANIES

London Guarantee & Accident Co., Ltd.  
Phoenix Indemnity Company

a newly-created commissioner of commerce. He also would take over the duties of the compensation insurance board.

A bill has been favorably reported giving township mutuals in Minnesota authority to do business in communities up to 1,250 population instead of 1,000. They are denied the right to write churches.

**Iowa**—An attempt to raise the salary of the insurance commissioner from \$5,000 to \$6,000 a year was defeated in the senate.

During debate on the appropriation bill it was disclosed that a measure will be introduced to allow the state liquor control commission to take out insurance on its liquor stock and equipment.

The house insurance committee amended and reported out for passage a bill which originally would have required mutual fire companies to have a \$25,000 surplus. As amended in committee it reduced the surplus required to \$10,000 and exempted existing associations.

The senate passed a bill setting the per diem pay for examiners not to exceed \$15 and assistants \$12.50.

The agents' qualification and licensing measure is now before the sifting committee in the Iowa senate after it was dumped from the calendar.

**Maryland**—An agents' qualification bill providing for a written examination has been introduced backed by the Maryland Association of Insurance Agents. It has been reported favorably by the house insurance committee.

**Indiana**—Governor Schricker has signed the bill providing additional regulations governing reinsurance.

The house has passed the bill which provides for revision and codification of farmers mutual insurance laws, permitting them to write on farm property the same coverages now written by other fire insurance companies, and provides minimum standards to guarantee stability of such companies and protect their policyholders. The house has also passed a bill which enables agents to receive compensation other than commission.

A new senate bill permits experience rating.

**Texas**—The revenue and taxation committee of the house dropped from a proposed omnibus tax bill increased levies on insurance companies estimated to raise \$800,000 additional revenue annually.

Bills have been introduced in both house and senate forbidding finance companies to receive commissions from insurance companies for writing policies on mortgaged property.

**Washington**—It is feared that the bill imposing a 2 percent fire premium surcharge on policyholders may pass the legislature before it adjourns this week. It has passed the senate.

**Pennsylvania**—A 4 percent premium tax bill has been introduced.

**New Jersey**—The bill that appeared in the 1940 legislature to require the licensing of agents of domestic companies has now been reintroduced with the support of the New Jersey department.

**Michigan**—J. T. Hammond, chairman senate insurance committee, has introduced a bill providing for a uniform procedure in the liquidation and rehabilitation of companies.

**Oregon**—Both houses are expected to adjourn this week.

The firemen's pension bill which passed the house has been unfavorably reported by the senate committee.

## Home Slates Four Field Rallies in Middlewest

**KANSAS CITY**—A regional meeting of field men of Arkansas, Iowa, Missouri, Nebraska and Kansas of the Home group will be held April 14-15 at Excelsior Springs, Mo. Heading the party of home office executives on the program are Ivan Escott, vice-president, and Leonard Peterson, secretary. Attendance of 60 is expected, including

visiting executives. This will be one of four regional meetings for the western department, others being scheduled for Louisville, Milwaukee and Detroit. T. B. McCaffrey, special agent at Kansas City, is making arrangements for the meeting at Excelsior Springs.

### Dinner Honors H. W. Puschel

The dinner-meeting of the New York City Blue Goose March 26 will be in tribute to most Loyal Gander H. W. Puschel, who has been promoted by Home from the New Jersey field to a post at the head office. The guest speaker will be Chih Meng, noted Chinese author and lecturer.

### Pass Wash. Surplus Line Bill

**SEATTLE**—Washington's new surplus line brokers act passed the senate and went to Governor Langlie for signature. The principal change provides that a risk is eligible for placement in a non-admitted carrier if a majority of admitted companies writing a given class of business decline to write the risk. The measure will form the basis for a new surplus line brokers association similar to the setup in California.

### License Suspensions in Cal.

**LOS ANGELES**—Commissioner Caminetti has issued orders revoking and suspending agent and broker licenses of two firms, one an automobile dealer and the other a regular agency which was dealing with an automobile dealer. The firms are Andrew J. Crevelin of Alhambra and Rucklos & Walker of Pasadena.

In the Crevelin case the department alleged overcharges had been collected in insurance premiums, license fees for automobiles and sales taxes.

In the Rucklos & Walker case, the charge was that motor car purchasers had been charged for \$25 deductible coverage and that the insurance placed was for \$50 deductible, the difference in premiums having been retained. The firm said the practice had been discontinued some months ago, and that it had not been done with intent to violate the law.

### Indiana Ins. Co. Surplus Up

Through an inadvertence, a digest of the annual statement figures of Indiana Insurance Company as appearing in the fire insurance section last week, indicated that there was a decline in surplus from the previous year of \$28,374. As a matter of fact, there was a gain of that amount.

Subscribe to **The Accident & Health Review**, \$2 per year, 175 W. Jackson Blvd., Chicago.

J. M. B. PETRIKIN . . . Vice-President  
G. N. GARDNER . . . Vice-President

J. R. GARDNER . . . President

D. A. HOLADAY . . . Treasurer  
HAZEL O'NEILL . . . Secretary

E. R. Zimmerman, State Agent for Ohio, 50 East Broad St., Columbus, Ohio

## THIRTY-SEVENTH ANNUAL STATEMENT THE MERCHANTS FIRE INSURANCE COMPANY DENVER, COLORADO DECEMBER 31, 1940

ASSETS		LIABILITIES	
Cash in Banks and Office.....	\$ 231,112.45	Reinsurance Balances .....	\$ 54,419.17
Bonds (at amortized value)—		Loss Claims in Process of Adjustment (Less—	
U. S. Government—Direct and		Losses Reinsured \$49,379.99).....	131,069.59
Fully Guaranteed .....	\$ 749,118.97	Accrued Taxes and Expenses.....	57,292.71
State .....	52,066.57	Reserve for Unearned Premiums.....	1,400,081.01
Municipal .....	1,277,854.76	Reserve for Possible Loss on Real Estate	
Real Estate .....	17,740.00	Loans and Accounts.....	9,859.91
Total Bonds .....	2,096,780.30	Capital Stock .....	400,000.00
First Mortgage Loans on Real Estate.....	293,317.10	Surplus .....	\$863,684.59
Accrued Interest on Bonds and Loans.....	14,122.06	Less Assets not admitted.....	20,481.99
Agents Balances and Accounts.....	236,320.38		843,202.60
Real Estate .....	24,272.70		
	\$2,895,924.99		\$2,895,924.99

### NET PREMIUM INCOME

1933 .....	\$ 611,852.85
1934 .....	\$ 739,462.30
1935 .....	\$ 847,227.92
1936 .....	\$ 899,162.16
1937 .....	\$1,014,992.36
1938 .....	\$1,019,710.88
1939 .....	\$1,103,721.02
1940 .....	\$1,382,751.24

### POLICY HOLDERS' SURPLUS \$1,243,202.60

	December 31, 1939	December 31, 1940	Increase
Net Premium Income.....	\$1,103,721.00	\$1,382,751.00	\$279,030.00
Unearned Premium Reserve. 1,195,609.00		1,400,081.00	204,472.00
Assets .....	2,708,013.00	2,895,925.00	187,912.00
Surplus .....	826,073.00	843,203.00	17,130.00

This statement is Based on Report Filed with the Insurance Commissioner of the State of Colorado.



**SOUNDLY MANAGED  
FINANCIALLY STRONG  
CAPABLY STAFFED  
QUICKLY ACCESSIBLE  
PROGRESSIVELY  
AGENCY-MINDED**

Morton T. Jones  
PRESIDENT

... that's the  
**KANSAS CITY'S**  
"Sales Story" in a nutshell

**KANSAS CITY Fire and Marine  
INSURANCE COMPANY**  
CHICAGO OFFICE:  
INSURANCE EXCH.  
KANSAS CITY,  
MISSOURI



## EDITORIAL COMMENT

### Working Man and Compulsory Insurance

BECAUSE of the many significant points and observations made by Jesse W. Randall, vice-president of Travelers, in addressing the mid-year meeting of the Minnesota Association of Insurance Agents, readers and those who heard him may have overlooked one particularly significant message. After making some references to compulsory automobile insurance he said: "In this day and age when every consideration is being given to the working man by state legislatures as well as Congress, it seems less likely that compulsory insurance will be adopted because such a law will impose an added expense chiefly upon the working classes."

With the introduction of the \$1,000 combined automobile P. L. and P. D. policy and with the safe drive reward plan, the bureau companies about two years ago made the first systematic effort to induce workmen to buy automobile insurance. The companies have definitely sought to reach these lower income groups which theretofore had not been seriously solicited. The companies have made progress and responsible leaders in the business are determined that this effort should now be expanded. Compulsory automobile insurance would compel the working man to carry third party automobile coverage.

Legislators who keep their ears to the ground will realize that such a law would create resentment on the part of a large number of the working people. As Wheaton A. Williams, vice-president of Fred L. Gray & Co. of Minneapolis, observes in an excellent treatise that he has prepared on the subject of compulsory insurance, so many complaints

were entered against the former \$10 minimum automobile registration fee in Minnesota that the authorities were compelled to take heed and the minimum was reduced to \$7.50. If the working man balks and balks so effectively at paying \$10 for a registration fee, that is an indication to the legislators of the reaction to be expected from a measure that would compel the working man to pay \$20, \$30 or \$50 for automobile insurance. The insurance companies have embarked upon a constructive course of seeking to induce the working man to insure. That is much more desirable. The situation is not being allowed to drift. Improvements can be made in financial responsibility laws but Mr. Randall has touched a vital spot when he refers to the fear of legislators to take any action that would offend the working man.

Mr. Randall has there sounded the note of the hour in legislative halls, we are convinced. Legislators generally are chiefly interested now in doing something for the working man. Legislators are eager to have their names attached to legislation of that nature and they are all eager to maintain a record that will appeal to the working man. They have seen now how it pays in votes.

Compulsory automobile insurance would hit more working men than any other class of people. The wealthy have always carried automobile insurance and the well to do and well paid people were pretty well lined up insofar as automobile insurance is concerned in the 20's and they were kept in the fold during the 30's.

### Keeping Apace with the Times

In his personal letter with which he always prefaces his monthly "Fire, Casualty & Surety Bulletins" Editor James C. O'Connor gives some timely advice to insurance offices. He points out that never before has it been so essential that men in the business keep abreast with the times; as during the period through which we are passing. In fact he makes bold to say that the agent who neglects to keep well informed and strictly up to date will soon find himself far behind the procession.

Insurance buyers are demanding the most intelligent service and it must be modern. With the series of rapid changes in rules, underwriting practice, organization pronouncements, together with the swiftly moving economic, busi-

ness and governmental currents, one can soon find himself buried in the debris of the past. He becomes obsolescent.

Fortunately, insurance is well fortified with educational and informative services that not only furnish the text of new or changed rules but interpret them so that they can be readily understood. Just take for example those published by THE NATIONAL UNDERWRITER: Aside from its "Fire, Casualty & Surety Bulletins," it furnishes the "Casualty Insurance Course" written by Donald M. Wood, Jr.; the "Property Insurance Course" by Dwight H. Ingram, the "Dean Rating Course"; the "Accident & Health Bulletins" and the "Survey Analyzer" by William D. Lynn.

In addition it has as running mates the

"Casualty Insurer" and "Accident & Health Review" both educational and sales magazines that present very valuable information.

It is vital, in our opinion, for underwriters and insurance salesmen to become students of their own business and they must continuously go to school, so to speak. The knowledge already acquired must be augmented and freshened by current information. Buyers are seeking the most intelligent service, they desire to deal with masters of their craft.

Not only should insurance men be fortified with modern equipment in the way of working tools but they should

keep abreast of the times by reading the news of their trade. They should be regarded as well informed about the activities, trends and personalities of their craft.

The insurance newspaper of today if it be streamlined, so called, is considerably more than a mere purveyor of happenings. It also is an interpreter. It should devote sufficient space to educational and sales material. It must fairly bristle with live information that will have a direct bearing on the insurance man's every day work. It should be found in the very first line of the march or it will soon be a subject for the journalistic graveyard.

## PERSONAL SIDE OF THE BUSINESS

**Mr. and Mrs. Albert Meyer** of St. Louis are spending several weeks at Miami Beach and will tour the southern states in celebration of their 10th wedding anniversary. Mr. Meyer is past president of the St. Louis Cats Meow and has acted as chairman of the United Charities insurance division for the past two years.

**S. M. Buck** of Chicago, vice-president in charge of the western department of Great American, and Mrs. Buck are spending a few weeks at Biloxi, Miss.

**Robert A. Nelson**, special agent Atlas in Cleveland, was married to Miss Frances Bartley of Des Moines. They will be at home in Cleveland following a wedding trip through the south.

**Edward Yerger, Sr.**, 49 years a local agent in Jackson, Miss., and Mrs. Yerger observed their golden wedding anniversary at a reception given by their children, two of whom are fire insurance men, Edward Yerger, Jr., state agent Home of New York, and Wirt Yerger, associated with his father in the Ross & Yerger agency. Mr. Yerger joined that agency, founded 97 years ago, nearly 50 years ago. He and the late James Ross of New Orleans bought the Barrow & Laird agency in Jackson. Later Mr. Yerger bought out Mr. Ross but retained the firm name. Three yellowed commissions dated "1892" are in the Yerger office, from the Royal, Home of New York and Liverpool & London & Globe. Edward Yerger, Sr., has been a director of Lamar Life for 34 years.

**F. D. Watkins, Jr.**, Arkansas special agent Aetna Fire, who is now in the army in Camp Robinson, has been promoted to corporal, one of the first selective service trainees to receive a promotion. Corporal Watkins is a son of F. D. Watkins, general adjuster L. B. Leigh & Co., Little Rock. Corporal Watkins joined the Aetna Fire in 1938.

**George H. Bell** of Chicago, western manager of National Fire, is getting the vitamin treatment in a concentrated way at Key West. He expects to return to Chicago the latter part of the month.

**D. A. Forbes** of Grand Rapids, president of the Michigan Association of Insurance Agents, and Mrs. Forbes have left for an extended vacation trip which will bring them to Oakland, in time for

the mid-year meeting of the National association. They went to New York by train, taking ship there for a cruise through the Panama canal to San Francisco. After the convention they plan to return by rail over the northern route.

**Bert E. Gathercoal**, inspector for Western Factory, son of J. R. Gathercoal, assistant manager of Western Factory, Chicago, has been called for service with the naval reserve at the Great Lakes Naval Training Station. He has been with Western Factory for about eight years.

**Henry Martin**, veteran St. Paul local agent, who has been bowling for 63 years and has participated in 24 national tournaments, will participate in the international bowling congress which opened in St. Paul March 13. He will compete in the singles and also in the doubles with his son, Henry Martin, Jr., Iowa state manager St. Paul Fire & Marine.

**John H. Burns, Sr.**, of the Harris, Burns & Co. agency, Wichita, suffered injuries in a fall at Long Beach, Cal., where he was vacationing, although they were not as serious as first reported. His sons, Robert and John H., Jr., also of the Wichita agency, went to his side by airplane upon learning of the accident.

## DEATHS

**Willis Parker**, secretary of the Security of New Haven from 1916 to his retirement in 1924, died in New Haven at the age of 81. A native of New Haven, he joined Security in 1876 as office boy and successively held the offices of bookkeeper, personnel manager, assistant secretary and secretary.

**Everett Lindstrom**, 37, who had been attached to the Green Bay, Wis., office of Underwriters Adjusting for the past year, died as a result of injuries suffered the previous day in an automobile accident south of Green Bay. Prior to going into insurance work he was prominent in the athletic world, having been a trainer for the Chicago Bears and Pittsburgh Pirates, the professional football teams, and he was at one time assistant trainer at the University of Minnesota.

**Mrs. Frank E. Walls**, wife of the Massachusetts state agent of London



## THE NATIONAL UNDERWRITER

PUBLISHED EVERY THURSDAY

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704

EDITORIAL DEPT.: C. M. Cartwright, Managing Editor. Levering Cartwright, Assistant Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor, Kenneth Force.

BUSINESS DEPT.: John F. Wohlgenuth, President. H. J. Burridge, Vice-President and Secretary. John Z. Herschede, Treasurer. W. A. Scanlon, G. C. Roeding, O. E. Schwartz, Associate Managers.

**CINCINNATI OFFICE**—420 E. Fourth St. Tel. Parkway 2149. L. H. Martin, Abner Thorp, Jr., and C. C. Crocker, Vice-Presidents.

**ATLANTA, GA., OFFICE**—560 Trust Company of Georgia Bldg., Tel. Walnut 5867. W. M. Christensen, Resident Manager.

**BOSTON OFFICE**—Room 522, 25 Huntington Ave., Telephone KENmore 5237. R. E. Richmond, Vice-President.

**CANADIAN BRANCH**—Toronto, Ont., 86 Adelaide St., East, Tel. Waverley 7988.

**DALLAS OFFICE**—511 Wilson Bldg., Tel. 2-4955. Fred B. Humphrey, Resident Manager.

**DES MOINES OFFICE**—2825 Grand Ave., Tel. 4-2498. R. J. Chapman, Resident Manager.

**DETROIT OFFICE**—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

**MINNEAPOLIS OFFICE**—500 Northwestern Bank Bldg., Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

**PHILADELPHIA OFFICE**—1127-123 S. Broad Street. Telephone Pennypacker 3706. E. H. Fredrikson, Resident Manager.

**SAN FRANCISCO OFFICE**—507-S-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

Subscription Price \$4.00 a year (Canada \$5.00). Single Copies, 20 cents. In Combination with Life Insurance Edition, \$5.50 a year (Canada \$7.50). Entered as Second-class Matter April 25, 1931, at Post Office at Chicago, Ill., Under Act, March 3, 1879.

Assurance, died suddenly in Roanoke, Va., while Mr. and Mrs. Walls were returning from a winter vacation in Florida.

Elmer B. Becker, president of Lyman Richie & Co., Chicago class 1 agency, is bereaved by the death of his wife, Mrs. Gladys Mars Becker, at Fort Lauderdale, Fla.

A. J. Wilmot, who had retired from active service at the head office of Commercial Union in 1928, died the other day. While active, he was in charge of New York state and Pennsylvania. He joined Commercial Union in 1900.

Herman G. Bauer, 44, executive special agent and assistant secretary of Spear & Co., Los Angeles general agents Ohio Farmers and Buffalo, died following a heart attack. Mr. Bauer, was a native of San Francisco and attended the University of California. He has been with Spear & Co. since its incorporation 20 years ago. Prior to that he was with Northwestern National.

N. J. Collins, veteran local agent of Chattanooga, Tenn., died at Fort Lauderdale, Fla. Burial was in Chattanooga.

J. J. Cella, 58, one of the leading local agents of Denver, died at his home there.

A. C. Hetzel, 84, who had a long and colorful career in the mountain field, with nearly 50 years of service in the Rocky Mountain and Pacific Coast regions, died in Denver after two weeks illness. He was manager of the Portland (Ore.) Adjustment Bureau for several years, and in the Rocky Mountain region he served as field man for the London & Lancashire, German-American, Springfield, and Continental. He retired from company affiliations about 25 years ago and since that time has operated his own adjustment and appraisal office in Denver.

Mrs. Edna C. Rathbun, 38, wife of D. H. Rathbun, junior member of Rathbun Agency, Battle Creek, Mich., died after several months illness.

James Lydell, 76, in the insurance business in California for 40 years, died from a heart attack sustained in his office in the California Agencies, Los Angeles. He went to California from Pennsylvania at the turn of the century and entered the insurance business. He joined California Agencies in 1917, and for the past 18 years has had his offices with that general agency in the Lane Mortgage building.

Charles J. Heckle, 64, Cincinnati local agent for more than 40 years, died at his home there after a brief illness. Mr. Heckle took over the agency on the death of his father, John J. Heckle, 22 years ago. He was one of the oldest members of the Cincinnati Fire Underwriters Association.

Funeral services were held in Columbus for W. A. Knoderer, president Guarantee Mutual of Springfield, O.

P. S. Farrell, 82, veteran agent of Centra, Wash., died here.

## Move to Legalize Property Floater in Mich.

LANSING, MICH.—Amendment of the Michigan code to permit the writing of the personal property floater is provided in a bill introduced in the senate by Hammond, chairman of the insurance committee. Such a measure was almost unanimously favored at the recent mid-year meeting of the Michigan Association of Insurance Agents.

John N. McLucas, vice-president of Commerce Trust Co. has been elected a director of Kansas City F. & M., taking the place formerly occupied by his father, Walter S. McLucas, one of the organizers of the company.

**COMPETENT GIRLS  
WITH INSURANCE EXPERIENCE**  
Furnished by  
**TANNER PERSONNEL SERVICE**  
(Office Boys Available)  
**THE FIELD BUILDING**  
CHICAGO  
Suits 1851 Franklin 5982

## Factory Mutual Losses Up \$800,000

The combined statement of the factory mutual companies has now been released, showing that net losses for 1940 were \$3,200,000, as compared with \$2,406,000 the previous year. The loss ratio in cents per \$100 insured was 3.1 in 1940, as compared with 2.5 in 1939. For 1926-1940 inclusive the annual average losses have been \$2,390,000 and the net loss ratio 2.6 cents. Assets at market value Dec. 31 are given as \$63,200,000, net premium deposits were \$55,600,000 and surplus \$32,000,000.

The fire losses were \$1,917,000 and the number of fire claims 2,400. Wind losses numbered 752 and in amount were \$502,000. There were 206 U.&O. losses for \$332,000. The largest U.&O. loss, amounting to \$54,000, went to a glass factory for loss of production of glass machines when wind damage shut down the plant.

There were 86 explosion losses for \$204,000. The largest explosion loss was \$35,000 due to pressure produced by the heat of an unexpected chemical reaction in presumably stable material in a tank with an inadequate vent. There were 432 sprinkler leakage losses for \$186,000. The largest loss for the year, a \$15,000 wet-down of paper stock, was due to the failure of a contractor to pitch the piping of a dry system correctly so that water collected and froze. A watchman could not locate the correct controlling valve to shut off the water.

There were 162 lightning losses for \$45,000, 34 vehicle losses for \$10,000 and 15 riot and civil commotion losses for \$4,000. The outstanding loss was \$3,300 on account of malicious damage to printed material in a label manufacturing plant during a strike.

The largest fire loss of the year was due to a flood in a southern state putting a tannery's fire protective equip-

## War Department Acts to Standardize Work of Defense Councils

NEW YORK—Within a short time it is expected the war department will issue its newly completed manual of instructions for local defense to communities throughout the country. The manual, it is understood, offers practical means for dealing with riot, insurrection, fires and other situations that may arise under war conditions, many of which have been experienced in the countries of Europe within the past 18 months.

The fire fighting feature of the manual was in large part prepared by engineers of the National Board.

When the war department asked the governors to create state defense councils, and to induce cities to set up defense organizations, the functions of such committees were not defined. The result was that each governor and mayor formulated a program of his own. In order to promote a standardized procedure the war department began the preparation of a comprehensive program.

Among purposes of the committees, in addition to aiding in the protection of life and property from every form of attack, will be to assist the police and other law enforcement agencies, combat subversive activities, assist in fighting fire resulting from sabotage or other acts of war, and generally to cooperate with all federal, state and other authorities in the performance of their special war duties.

ment out of service, fire being started by wetting of quick lime in a wooden box car which arrived on a siding just before the flood waters rose. The loss was about \$590,000.



## A "Blue Ribbon" Insurance Company of the World

For over two hundred  
and thirty years The Sun  
Insurance Office Ltd.  
has earned the recognition of  
insurance agents and brokers  
throughout the world. Intelli-  
gent cooperation, distinguished  
service and prompt settlement  
of claims have been the prin-  
ciples by which we have won  
this general acceptance.

Founded 1710

**SUN  
INSURANCE  
OFFICE  
LIMITED**

**PATRIOTIC INSURANCE CO. OF AMERICA  
SUN UNDERWRITERS INS. CO. OF N. Y.  
SUN INDEMNITY CO. OF N. Y.**

NEW YORK: 55 Fifth Avenue  
Chicago: 309 W. Jackson Boulevard  
San Francisco: Sweet & Crawford, Gen'l Agts.

## Globe and Rutgers Fire Insurance Company

OLIN L. BROOKS  
PRESIDENT

### FINANCIAL STATEMENT AS AT DECEMBER 31, 1940

#### ADMITTED ASSETS

*Bonds—United States Government.....	\$ 772,243.71
*Bonds—All other.....	3,059,108.63
*Stocks (Includes Subsidiary Companies at \$2,402,911.17).....	7,527,525.20
Cash on Hand and in Banks.....	1,194,100.24
Real Estate.....	1.00
Demand Note of Subsidiary Company.....	20,000.00
Premium Balances (Less Ceded Reinsurance Balances).....	367,329.44
Bills Receivable taken for Insurance Risks.....	12,995.02
Interest Due and Accrued.....	44,254.58
Mixed Claims Commission Award.....	1.00
Other Admitted Assets.....	27,781.71
	\$13,025,340.53

#### LIABILITIES

Reserve for Losses and Loss Expenses.....	\$ 692,760.10
Reserve for Unearned Premiums.....	3,034,914.29
Reserve for Expenses, Taxes and Contingent Commissions Due or Accrued	239,951.27
Loan from Bank (Maturity—December 31, 1941) (Secured by pledge of	
Bonds and Stocks carried in Assets at \$3,196,754.12).....	1,950,000.00
Reserve for Retirement of Preferred Stock.....	11,408.49
**Reserve for General Contingencies.....	35,000.00
Reserve for all other Liabilities and Items.....	443,687.91
	\$ 6,407,722.06

Capital Stock:	
***\$4.00 Cumulative First Preferred Stock	
(20,800 shares \$15.00 Par Value, including	
800 shares held in Treasury for Retirement).....	312,000.00
***\$5.00 Cumulative Second Preferred Stock	
(33,391 shares \$15.00 Par Value).....	500,865.00
***\$5.00 Cumulative Junior Preferred Stock	
(5,000 shares \$15.00 Par Value).....	75,000.00
Common Stock (80,000 shares \$15.00 Par	
Value).....	1,200,000.00 \$2,087,865.00
Surplus.....	4,529,753.47 6,617,618.47
	\$13,025,340.53

#### POLICYHOLDERS' SURPLUS \$6,617,618.47

\*Bonds and Stocks are carried on the basis prescribed by the Insurance Department of the State of New York. Total values, based on December 31, 1940 market quotations for all except insurance and subsidiary stocks (subsidiary stocks other than insurance being taken at statutory, and insurance stocks being taken at statutory values with portfolios adjusted to market) are \$157,359.61 less than shown. There has been deducted an amount of \$221,817.81 representing interest in our own stock through ownership of stocks of other insurance companies. Securities carried herein at \$236,776.51 are deposited with State Departments as required by law.

\*\*Available to absorb the Company's share in possible declines in the values of real estate owned by subsidiary companies.

\*\*\*Entitled on voluntary or involuntary liquidation to \$100.00 per share and accrued dividends.

HOME OFFICE  
111 WILLIAM STREET, NEW YORK



# EMPLOYERS REINSURANCE CORPORATION

HOWARD FLAGG . . . . . PRESIDENT

---

REINSURANCE OF CASUALTY FIDELITY AND SURETY —  
BUILT ACCURATELY FOR EACH USER'S PARTICULAR NEEDS

---

HOME OFFICE—KANSAS CITY, MISSOURI  
BRANCH OFFICES — NEW YORK — CHICAGO — LOS ANGELES — SAN FRANCISCO

# The NATIONAL UNDERWRITER

March 13, 1941

## CASUALTY AND SURETY SECTION

Page Twenty-five

### Legislators Hear Backers of N. H. Type Law for N. Y.

#### Opponents of Improved Responsibility Measure Speak

ALBANY, N. Y.—The hearing in the senate chamber on the Page-Anderson motor vehicle financial responsibility bill was a field day for the proponents of the bill. Those opposed to the bill and in favor of straight compulsory insurance were practically negligible.

The prediction in informed quarters is that a compulsory auto insurance bill will not be passed in New York this year. The organized farmers are against it and that is a potent influence. Moreover sponsors of such legislation are said to have come to the realization that a war year is no time to build sentiment in favor of such a proposal.

Commissioner of Motor Vehicles Mealey and members of his staff were present but pursued a watchful observing attitude.

It was brought out in the hearing that in New Hampshire the effect of the law, which is the prototype of the New York measure, is vastly to increase the number of drivers who carry insurance. It is up to about 75 percent now, having increased from 26 percent. As the number of insured drivers increases, the cost of administration of the law will decrease, according to the testimony.

John G. Jackson, New York City, president of the State Bar Association was the first speaker. He merely introduced Allen Flattery, also of the bar association, who described the bill and told what it would do that compulsory insurance will not do.

#### Drafter of Bill Sick

Flattery explained that Crandall Melvin, the drafter of the bill, was ill and could not attend.

The hearing was punctuated by questions from Senator Hampton, who introduced the Pink-Mealey sponsored compulsory insurance bill of last year, as to how the financial responsibility law would reduce accidents.

The answer was invariably that it would make the average driver safety conscious, that he would know if he had an accident he would be compelled to furnish financial responsibility.

Flattery pointed out that compulsory insurance does not cover property damage, guest occupants, non-resident drivers, nor extra-territorial accidents, whereas any policy of insurance filed under the financial responsibility plan would afford complete coverage.

He said the bar association had approached the problem from the standpoint that the payment of damages was a secondary consideration and that the real problem is reduction of accidents.

(CONTINUED ON PAGE 50)

### Two More Stock Casualty Insurers Top \$10,000,000

Stock companies with assets of \$10,000,000 or more are ranked by the "Argus Casualty Chart" published by THE NATIONAL UNDERWRITER. Eagle Indemnity and American Motorists have been added to the list which now numbers 43 compared to 41 last year. Many satisfactory gains are recorded and increases are shown in practically all cases. The ranking shows no change down to 18th place. The Standard

Accident went from 21st to 18th last year, U. S. Guarantee went from 29th to 27th and the Employers Reinsurance 30th to 28th. The St. Paul Mercury Indemnity went up one place to 33rd, the American Employers advanced to 36th, the U. S. Casualty went up two places to 38th and the Eagle Indemnity and American Motorists both advanced. The comparative list showing figures for the last three years follows:

1940 Rank	1939 Rank	1938 Rank	1940 Admitted Assets	1939 Admitted Assets	1938 Admitted Assets
1	1	1	\$1,098,664,027	\$1,039,202,644	\$975,527,444
2	2	2	*716,246,783	*670,905,658	*621,319,457
3	3	3	87,481,750	81,951,688	75,689,963
4	4	4	70,999,579	66,693,044	60,060,669
5	5	5	62,317,879	58,038,915	53,356,402
6	6	6	51,106,280	51,580,443	50,396,051
7	7	7	45,081,856	43,749,024	43,677,614
8	8	9	42,316,964	41,290,480	39,050,269
9	9	8	41,489,122	40,760,005	39,433,623
10	10	10	40,621,569	38,488,460	36,628,611
11	11	11	40,097,449	37,291,201	34,052,618
12	12	12	35,667,433	34,075,071	31,843,601
13	13	13	35,484,643	32,764,457	30,491,427
14	14	14	35,279,089	32,687,160	29,796,997
15	15	15	31,297,248	30,318,756	28,494,319
16	16	17	28,442,031	27,301,457	25,071,994
17	17	16	27,107,332	26,629,248	26,742,979
18	21	20	26,953,375	23,450,477	23,490,267
19	19	19	26,457,727	25,283,359	23,498,407
20	18	18	26,200,520	25,401,241	24,187,307
21	20	21	25,425,906	24,140,109	22,753,338
22	23	22	23,301,108	22,325,506	22,323,755
23	22	23	23,072,468	22,828,268	21,096,338
24	25	25	21,441,982	20,400,531	18,786,626
25	24	24	20,829,721	20,762,989	19,975,618
26	26	28	19,363,234	18,458,413	17,076,407
27	29	29	18,750,463	17,425,911	16,063,554
28	30	30	18,611,460	17,358,516	15,871,846
29	27	26	18,442,360	18,319,571	18,530,769
30	28	27	17,292,610	17,741,895	17,160,835
31	31	31	15,487,068	15,084,138	15,242,956
32	32	32	15,020,485	14,496,219	13,751,516
33	34	38	14,714,404	12,435,352	10,667,747
34	33	33	13,391,032	12,904,744	12,029,242
35	35	34	13,163,518	12,287,354	11,766,053
36	37	36	12,950,575	11,871,791	11,168,100
37	36	35	12,855,187	12,003,731	11,218,960
38	40	40	11,646,988	10,899,113	10,086,629
39	38	37	11,636,129	11,351,310	10,743,076
40	39	37	11,334,660	10,911,967	10,314,808
41	41	41	11,084,300	10,230,146	9,330,272
42	43	44	10,018,133	9,474,379	8,565,696
43	44	45	10,010,086	9,250,308	8,409,093

\*Includes assets of life department.

#### Remittances To and From Foreign Home Offices

Funds received and remitted by the foreign casualty companies to their home offices have been compiled for the Argus Casualty Chart, published by THE NATIONAL UNDERWRITER. The plus sign means a net remittance from the home office to the U. S. branch and the minus sign a net remittance from the branch to the home office. Work on the Argus Chart is being carried forward speedily and it will soon be off the press.

Last year the branches remitted a total of \$3,183,169 to their home offices

compared to \$4,197,297 in 1939 and \$4,999,004 in 1938.

The main changes are a reduction in the amount remitted to its home office by the Car & General and the large amount received from its home office by the Zurich. The comparative figures follow:

	1940	1939
Accident & Cas...	+\$500,000	+\$523,206
Canadian Indem...	+35,268	-11,789
Car & General...	-63,023	-157,617
Employers' Liab...	-1,554,903	-1,576,065
Europ. Gen. Re...	-378,604	-353,242
General Accl...	-1,355,492	\$1,347,899
Guar. of N. A...	-149,896	-120,144
Lond. Guar & Acc...	-500,000	-500,000
Ocean Accl...	-558,900	-604,390
Prov. Accl...	-19,918	-16,663
Zurich	+862,299	-33,694
	-3,183,169	-4,197,297

### Stock Companies Extend Deviation Filings; Act in N. Y.

#### Mutuals Play Same Game; Keep Ahead in Defense Risk Competition

The stock companies have now moved along a wider front in their campaign to overcome the monopoly which has been created for the mutuals in rate regulated states by the war department in connection with national defense contracts negotiated on a cost plus a fixed fee basis. However the mutuals are right at the heels of the stock companies in filing rate deviations on this class of business and it seems doubtful that the stock companies have gained an advantage.

The program of the stock companies was revealed several weeks ago when the National Bureau of Casualty & Surety Underwriters filed a petition for an automobile and compensation rate deviation of 20 percent on cost plus defense risk in Virginia. The Virginia corporation commission notified other companies and invited them to file deviations. A number of independent stock companies duplicated the bureau filings and several of the leading mutuals that are writing most of the defense risks filed a deviation of 10 percent. These various filings were approved.

#### New York Deviation Filing

On Tuesday of this week the Compensation Insurance Rating Board of New York filed a petition in behalf of both stock and mutual companies to deviate 20 percent on defense risks.

In Alabama Superintendent Julian has approved a 20 percent deviation for stock companies. He has not yet acted on the filing of the mutuals.

In Colorado and Louisiana, approval has been given to deviation filings, but that has been done on a per risk basis.

The National Council on Compensation Insurance is making filings in all National Council states, which, it is understood, will be 20 percent off for stock companies and 10 percent off for mutuals.

#### Basic Rate Unchanged

Even though the initial rate of the mutuals is 10 percent higher than the stock companies in these regulated states, it is still impossible for the stock companies to capture a cost plus fixed fee risk under the war department regulations if the mutuals want to compete for that risk. Under the regulations the contractor must buy his insurance as cheaply as possible and in figuring that cost he must deduct the dividend that he anticipates receiving from a mutual company, which is 20 percent in practically all of the mutuals that are a factor in the situation. The only chance for a stock company to get such a risk is for the mutual companies to shun it.

In all of these filings the stock com-

(CONTINUED ON PAGE 52)



## O. K. Am. Motorists N. Y. Compensation Dividend Plan

NEW YORK — Although holding that the workmen's compensation dividend plan of American Motorists in New York is not in reality a rating plan, the New York department has given a decision that the classifications upon which the dividends are based are not inequitable or unfairly discriminatory. Hence approval is given to American Motorists to continue to use its scheme of dividend distribution which has a rather close resemblance to the retrospective rating plan but American Motorists was directed to discontinue attaching a form of endorsement which the department feels may give the policyholder the impression he has an enforceable claim against the company when as a matter of fact he has no such claim until a dividend declaration is made by the directors.

The American Motorists scheme provides varying dividend rates according to loss ratio and premium size groups. The loss ratio group ranges from 0-5 percent to 78-80 percent, and the premium size groups from \$1,001 to \$2,000 to a group with premiums in excess of \$200,000. There is no dividend for risks falling within any group where the loss ratio exceeds 80 percent. For risks with premiums of \$1,000 or less, there is a flat dividend according to the profit earned where the loss ratio is under 100 percent and no dividend where the loss ratio exceeds 100 percent. It is indicated that the present flat dividend rate is 10 percent. Unlike the retrospective rating plan, there is no surcharge for bad experience, above the standard premium.

### Belief of Management

According to the opinion of the department, American Motorists believes that its plan justly recognizes the loss ratio and the expense incurred in connection with the risk. The plan reflects the graduation of acquisition and all other expenses by size of risk group. American Motorists has been using this plan on practically all its compensation business. The experience under a policy is evaluated as of the date six months subsequent to the termination date in order to ascertain the dividend allowable.

If this is to be considered a rating plan, according to the New York department, then the usual flat dividend plan would also have to be called a rating plan. The department cites Section 183 which expressly prohibits a rating organization from regulating the payment of dividends to policyholders. So far as the propriety of paying dividends on this basis is concerned, the department observes that when directors adopt a plan designed to provide what in their opinion is the most equitable distribution of surplus earnings, the authorities would find it difficult to deny it the right to apply factors which if applied in a rating plan would not be regarded as either inequitable or unfairly discriminatory.

The rating system contemplates a balance in the aggregate for all companies combined regardless of the fortunes of any individual. The dividend plan, on the other hand, is limited to the surplus earnings of a particular company.

The department expressed the opinion that the American Motorists plan is actuarially sound and that it is not inequitable or unfairly discriminatory. According to figures furnished by the company, in the aggregate the payments are justified both as to loss experience and expense ratio. Whether there should be a provision for a subsequent adjustment in the event of unusual developments affecting loss estimates is a question to which the company may desire to give further consideration.

American Motorists applies this plan

## Illinois, Minnesota Leaders Shown

In the following tables are given the premium leaders in Illinois and Minnesota graded according to their 1940 premiums, and also showing the state writings in 1937, '38 and '39. In Illinois all companies with \$1,000,000 or more in that state in 1940 are listed while in Minnesota the first 10 companies are shown.

### ILLINOIS LEADERS

	1940 Premiums	1939 Premiums	1938 Premiums	1937 Premiums
1. Continental Cas. ....	\$3,225,564	\$3,225,159	\$3,055,466	\$2,893,765
National Cas. ....	254,029	192,430	154,086	131,226
2. Hartford Accident .....	3,144,881	2,650,068	2,388,872	2,497,538
3. London Lloyds .....	3,113,848	3,051,166	2,367,490	4,473,231
4. Travelers .....	2,769,050	2,258,354	2,383,513	4,216,290
Trav. Indem. ....	2,068,721	1,975,160	1,656,086	590,021
5. U. S. F. & G. ....	2,643,003	2,574,317	2,305,435	2,500,439
6. Lumbermen's Mut. Cas. ....	2,553,768	2,269,531	2,326,672	2,536,211
Am. Motorists .....	359,313	312,809	284,448	211,134
7. Chicago Motor Club .....	2,496,019	2,397,543	2,335,962	2,026,482
8. Liberty Mutual .....	2,223,533	2,223,214	2,023,440	2,287,152
9. Fidelity & Cas. ....	2,295,903	2,279,763	2,414,966	2,300,998
10. Bituminous Cas. ....	2,266,232	2,049,092	2,003,194	2,082,658
11. Zurich .....	2,257,566	2,086,822	2,393,861	2,398,429
Am. Guar. & Liab. ....	29,968	.....	.....	.....
12. Empl. Mut. Liab., Wis. ....	2,252,947	1,566,038	1,580,071	1,537,361
13. Travelers Indem. ....	2,068,721	1,975,160	1,656,086	590,021
14. Aetna Casualty .....	1,944,684	1,950,345	1,770,640	1,827,752
Aetna Life .....	996,306	686,246	593,241	565,338
15. General Accident .....	1,927,832	1,780,781	1,840,120	2,142,063
16. Amer. Automobile .....	1,906,364	1,720,806	1,969,154	1,592,290
17. Ill. Agric. Mut. ....	1,851,080	1,529,617	1,311,635	1,181,985
18. Metropolitan Life .....	1,806,802	1,476,655	1,229,352	1,268,348
19. State Farm Mut. Auto. ....	1,693,277	1,408,037	1,193,316	1,063,477
20. London Guarantee .....	1,533,710	1,518,341	1,755,270	1,950,733
Phoenix Indem. ....	570,163	514,760	513,427	517,244
21. Maryland Cas. ....	1,329,995	1,359,695	1,437,009	1,483,599
22. Mutual Benefit H. & A. ....	1,318,834	1,065,664	877,545	737,239
United Ben. Life. ....	43,989	32,786	24,643	22,150
23. Employers Liab. ....	1,087,934	925,344	974,314	1,022,598
Amer. Employers .....	312,970	202,848	194,259	150,990
24. Standard Accident .....	1,053,852	1,069,102	1,132,766	1,227,437

### MINNESOTA LEADERS

	1940 Premiums	1939 Premiums	1938 Premiums	1937 Premiums
1. Empl. Mut. Liab., Wis. ....	\$2,017,563	\$2,114,036	\$2,096,228	\$2,469,258
2. State Farm Mut. Auto. ....	1,953,637	1,667,603	1,516,582	1,386,269
State Farm Life. ....	4,866	6,360	8,537	.....
3. Anchor Casualty .....	1,261,421	1,229,472	1,217,350	1,266,230
4. Minneapolis Lloyds .....	979,502	935,084	839,191	856,756
5. Hard. Mut. Cas., Wis. ....	932,619	918,360	1,067,029	1,120,484
6. St. Paul Merc. Ind. ....	814,166	844,386	804,941	786,817
7. Aetna Casualty .....	749,982	771,953	782,456	894,131
Aetna Life .....	281,964	269,573	265,722	284,171
8. Hartford Accident .....	679,485	616,523	695,268	699,510
9. Travelers Indemnity .....	670,532	594,276	333,887	182,684
Travelers .....	562,633	549,747	854,142	1,021,964
10. Fidelity & Casualty .....	648,965	588,030	642,556	657,187

## N. J. Premium Leaders Graded

In the following table are set forth the companies, graded according to 1940 volume, that wrote casualty premiums of \$1,000,000 or more in New Jersey last year together with their 1939 writings.

	1940 Pre- miums	1939 Pre- miums
1. N. J. Mfrs. Assn. ....	4,180,830	3,618,429
2. Travelers .....	3,420,463	3,252,869
Trav. Indem. ....	467,214	414,403
3. Liberty Mutual .....	2,774,999	2,213,816
4. Hartford Acc. ....	2,287,710	2,152,977
5. Am. Mut. Liab. ....	1,954,949	1,635,496
Am. Policyholders .....	134,087	95,582
6. Aetna Cas. ....	1,929,785	1,758,279
Aetna Life .....	448,461	387,814
7. Metropol. Life .....	1,545,864	1,285,694
8. U. S. F. & G. ....	1,507,740	1,451,812
9. Fidelity & Cas. ....	1,427,552	1,312,011
10. General Acc. ....	1,401,783	1,335,859
11. Lumb. Ma. C., Ill. ....	1,369,160	1,211,076
Am. Mo. ....	369,979	295,021
12. Globe Indem. ....	1,369,950	1,296,363
Royal Indem. ....	696,927	630,977
Eagle Indem. ....	300,866	229,693
13. Commercial Cas. ....	1,340,657	1,178,498
Metropol. Cas. ....	194,941	169,538
14. Indem. of N. A. ....	1,230,150	1,115,363
15. Bankers Indem. ....	1,182,396	1,115,363
16. Employers Liab. ....	1,085,051	1,079,057
Am. Employers .....	348,568	223,627

### Great American Reserve Rally

Only one business session was scheduled for the four-day annual agency convention of the Great American Reserve of Dallas at Monterrey, Mexico, March 12-15. The remainder of the convention is being left open for sight-seeing and entertainment, President Travis T. Wallace announced.

In a number of states besides New York.

## Auto Assigned Risk Plan in N. J.

Through the efforts of Deputy Commissioner Gough of New Jersey, a voluntary plan for granting automobile bodily injury and property damage liability insurance to risks required to carry financial responsibility insurance by any law of that state and unable to secure it for themselves has been adopted effective as of March 15. All companies writing automobile P. L. in the state have agreed to the plan. The plan as adopted is almost exactly similar to the one in Vermont.

The plan resulted from a meeting of a committee of company representatives with Mr. Gough about a month ago.

The plan will be administered by William Newell, as manager, from his office at 60 John street, New York. Mr. Newell is already managing the Illinois automobile voluntary plan and those of several other states.

### Tweeddale, Va. License Revoked

RICHMOND—License of R. D. Tweeddale & Co. of Baltimore and R. D. Tweeddale individually in Virginia has been revoked for placing business in a non-licensed company. Investigation by the Virginia department disclosed that the firm, which held a non-resident broker's license, had written liability and property damage for the Virginia Taxicab Company of Clifton Forge, operating taxicabs between that city and a government plant in Alleghany county, with the Keystone Mutual Casualty of Pittsburgh, a non-admitted company.

## Chicago Plans Big A. & H. Breakfast

Plans for its annual Accident & Health Insurance Week breakfast, March 25, were discussed at the March meeting of the Chicago Accident & Health Association. It is expected that over 500 will attend the breakfast which will be in charge of C. F. Lundquist, Fred S. James & Co.

President D. E. Compton, Provident Life & Accident, announced that the second session of the underwriting course sponsored by the Chicago association will be held April 1 with A. J. Higgins, Aetna Casualty, in charge. An Old Timers smoker will be held April 8 with Armand Sommer, Continental Casualty, as toastmaster and C. T. Redfield, Mutual Benefit Health & Accident, in charge. Past officers will be honored. The April 18 meeting will be held in Milwaukee with the Chicago association staging the program with the Milwaukee association as hosts. In May the procedure will be reversed with the Chicago association as hosts with the Milwaukee group putting on the program. Mr. Compton named a nominating committee consisting of past presidents to report at the April meeting, the election to be held in May. Officers will be installed at the June 10 field day program.

### Teaches Agents to Sell

In discussing plans for Accident & Health Week, Mr. Lundquist urged all to participate. Several informal talks were made by Woolf Guon, Metropolitan Life; K. O. Saunders, Globe Indemnity; A. D. Anderson, Occidental Life of California.

In telling the value of accident and health to multiple line companies, Mr. Saunders said that writing accident and health teaches agents to sell. Although the business should seek a professional standing, accident and health insurance still has to be merchandised in order to get sales results. He also stressed the responsibility of an agent to sell his friends and policyholders accident protection. George Applegren, explained the publicity he has been doing for Accident & Health Insurance Week. A special quiz was held. W. W. Pierce, Massachusetts Indemnity, was top man. The questions and answers follow:

### Questions Are Asked

Question: A duly authorized agent accepts the premium for a lapsed accident policy. The insured is killed the next day. Is the company liable?

Answer: Yes.

Q. (a) How many of the standard provisions are required in Illinois?

A. 15.

Q. How many additional ones are optional?

A. 5.

Q. Upon what three factors are premiums for accident and health policies based?

A. 1. Age. 2. Sex. 3. Occupation.

Q. Into what three classes is accident and health insurance divided?

A. 1. Commercial. 2. Industrial. 3. Group.

Q. In an accident and health policy is the principal sum paid for natural death?

A. No.

A. R. Smith, Continental Casualty accident and health manager in New Orleans, was a special guest.

### Announce Third Indiana Course

Dates are announced for the third in the series of the casualty classes sponsored by the Indiana Casualty & Surety Managers Association. F. F. Prange, Indiana manager National Surety, will conduct this course on residence burglary, with sessions in Fort Wayne, March 19; South Bend, March 20; Indianapolis, March 24, and Evansville, March 26. Each of these meetings convenes at 8 o'clock.

## 50 + Years of Service

The Preferred Accident has throughout its 56-year career built up and maintained a progressive staff of agents in all parts of the country with whom its relationship has been friendly and mutually profitable.

The cornerstone of the Preferred's success has been gradual, steady growth, the emphasis being on careful underwriting in both field and home office, and a policy of claim settlements that builds good will among policyholders.

That agents appreciate this program in its broad aspects is indicated by their long time representation of the Preferred.

---

*Automobile      Accident      Burglary*  
*Plate Glass      Liability*

---

**THE PREFERRED ACCIDENT  
INSURANCE COMPANY**  
of New York

80 MAIDEN LANE, NEW YORK

Edwin B. Ackerman, President



## ACCIDENT AND HEALTH

### Expect Production to Reach New High

With general business stimulated by the national defense program it is expected that new production records will be set during the annual Accident & Health Week campaign, March 24-29.

Because the defense program is being administered on a decentralized basis its benefits are being felt in almost every community throughout the nation, thus widening the field of prospects and increasing the purchasing power of thousands of individuals who have a need for disability protection.

Today the greatest opportunity to write disability coverage exists. In approaching these thousands of potential prospects accident and health agents should not lose sight of the fact that this is more than merely an opportunity to write an increased volume of business; the institution of accident and health insurance has a very definite responsibility of service in this national emergency. The replacement of workers' income in the event of disability and the creation of security and peace-of-mind are factors of real importance.

#### New Field Opened

The defense program has opened up a complete new field to agents for prospecting and sales. This applies to group, individual policies, and family cases alike. Employers are aware that new workers urged to maintain high production output are prone at times to ignore safety guards which normally would be rigidly enforced. Workers still recall the severe drains on savings caused by sickness and accidents to themselves when they were not protected by compensation, and to their

families during the times when wages were lower than today's scale and when, perhaps, they were out of employment. They are determined that these drains on savings shall not recur.

During Accident & Health Insurance Week attention will be directed to the business part in national defense work. Speakers at breakfasts, luncheons and dinner meetings will encourage agents to give this field special attention throughout the year. Accident and health insurance will do its part.

### National Casualty's New Hospital Expense Rates

Revised rates for hospital expense policies of National Casualty were announced this week. There is offered a surgical operation indemnity rider, 6510, for use with form 926. Age limits were lowered for 859, the juniors' policy.

Annual premium rate for 926, accident only, giving \$1,000 principal amount, \$6 a day hospital indemnity for 40 days and other benefits is \$4.60 for male and female, policy fee \$1, age limits 16-59. Rates for 927, accident and sickness, \$1,000 principal sum, \$5 per day hospital for 30 days, thereafter \$2.50 per day, limit 180 days, and other benefits are \$11 males, \$12.50 females, limits 16-64.

The rate for form 938, male and female, is \$8, policy fee \$1, age limits 16-64. This form, accident and sickness, provides \$5 per day hospital, limit 30 days. Form 859, sold to juniors, male and female, has a rate of \$5 annually, and provides \$3 per day hospital, limit 21 days, and other benefits.

Form 880, covering both accident and sickness, is written on six plans. Plan A provides \$5 a day hospital for 21 days, the rate for males being \$19 and females \$22. Plan B provides \$5 a day hospital

for 30 days, rate being \$25 and female \$28. Plan C provides 60 days hospital at \$5 a day, the male rate being \$33, female \$36.

Plan D provides \$5 hospital daily for 90 days, male rate \$38, female \$42. Plan E gives \$6 a day hospital for 30 days, male rate \$13.50, females \$16. Plan F gives \$5 daily for hospital for 40 days, male rate \$12.50 and female \$15.

Form 923 covers both accident and sickness; with principal sum \$1,000, hospital indemnity, \$5 per day for 30 days, thereafter \$2.50, limit 180 days, and other benefits, including \$100 maternity after the policy is in force one year. The male rate is \$27 and female \$30, plus \$2 policy fee, age limits 16-64.

### Honor Public Health, Safety Groups in Indianapolis

INDIANAPOLIS—The Indianapolis Accident & Health Club's celebration of Accident & Health Insurance Week will be launched by an 8 o'clock breakfast March 24.

Principal speaker will be Col. Roscoe Turner of Thompson Trophy fame, who is head of a civil aeronautics school in Indianapolis. He will speak on "Safety in the Air vs. Safety on the Ground."

The main purpose of the breakfast will be to acknowledge the work the public health and safety organizations of Indianapolis have done, and to tender assistance in their work. A resolution will be read endorsing efforts of the mayor's advisory committee on traffic safety to set up a city-wide safety council under a full-time traffic engineer.

At the speakers' table will be heads of local safety and public health groups, and immediately in front of them tables will be reserved for representatives of the various organizations. They will march to their places in full uniform after everyone else is seated. In this colorful parade will be firemen, city police, state police, city hospital internes and nurses, public health nurses, street car motormen, Red Cross nurses, mem-

bers of the school boy patrol, truck drivers, taxi drivers and others.

Stationed at the door of the Columbia Club, where the breakfast will be held, will be a city hospital ambulance, a corps of internes, and a squad of police.

H. D. Davis, Illinois Bankers Life, general chairman of the week, reports plans have been completed for placing window displays in 25 Hook Drug Company and 25 Haag Drug Company stores throughout the city. All Indianapolis street cars will carry a large placard during the week, advertising accident and health insurance. Tentative arrangements are to have all Indianapolis traffic policemen wear arm bands and "68" buttons.

### List Speakers for Detroit Sales Congress on Friday

DETROIT—Preliminary reports indicate that more than 200 accident and health managers and agents will attend the sales congress of the Detroit Accident & Health Association March 14. President H. H. Jones, Commercial Casualty, is general chairman.

At the morning session J. G. Mickle, safety director Detroit police department, will discuss accident prevention in relation to street and highway traffic. R. S. Moore, assistant agency director, Midland Mutual Life, will talk on "The Proper Mental Attitude;" E. H. O'Connor, agency manager Provident Life & Accident, on "The Value of Our Product," and Spencer Welton, vice-president Massachusetts Bonding, on "Ring-ing the Dinner Bell." Commissioner Berry will conclude the session with a discussion of the contemplated reorganization of the Michigan department.

President Jones will read a proclamation issued by Governor VanWagoner urging public cooperation with authorities to hold down the toll of preventable accidents and guard the public health, and setting aside March 24-29 as Accident and Health Insurance Week in

(CONTINUED ON PAGE 30)

*Reinsurance of Casualty, Fidelity and Surety Lines*

## GENERAL REINSURANCE CORPORATION

90 JOHN STREET, NEW YORK • 200 BUSH STREET, SAN FRANCISCO

*Financial Statement, December 31, 1940*

#### ASSETS

CASH IN BANKS AND OFFICES.....	\$ 3,699,354.77
INVESTMENTS:	
BONDS.....	\$6,648,804.59
NORTH STAR REINSURANCE CORP. STOCK.....	1,616,364.77
OTHER COMMON STOCKS.....	4,311,134.50
REAL ESTATE.....	27,000.00
MORTGAGE LOANS.....	204,206.25
TOTAL.....	12,807,510.11
PREMIUMS IN COURSE OF COLLECTION (NOT OVER 90 DAYS DUE).....	658,444.66
ACCRUED INTEREST.....	65,701.85
OTHER ADMITTED ASSETS.....	61,598.19
TOTAL ADMITTED ASSETS.....	\$17,292,609.58

#### LIABILITIES

RESERVE FOR CLAIMS AND CLAIM EXPENSES.....	\$ 7,109,231.83
RESERVE FOR UNEARNED PREMIUMS.....	2,147,806.15
RESERVE FOR COMMISSIONS, TAXES AND OTHER LIABILITIES.....	916,415.68
VOLUNTARY RESERVE.....	119,155.92
CAPITAL.....	\$1,000,000.00
SURPLUS.....	6,000,000.00
SURPLUS TO POLICYHOLDERS.....	7,000,000.00
TOTAL.....	\$17,292,609.58

Bonds and stocks owned are valued in accordance with the requirements of the New York State Insurance Department, viz.:—Bonds on an amortized basis, North Star stock on the basis prescribed by the New York Insurance Law, other stocks at December 31, 1940 market quotations. • If bonds owned were valued on the basis of December 31, 1940 market quotations, Total Admitted Assets would be decreased to \$17,230,265.28 and Voluntary Reserve to \$56,811.62. • Securities carried at \$1,208,584.91 in the above statement are deposited as required by law.

## Don't Deviate from Comprehensive Idea, Sawyer Urges Forum

### Eglof Stresses Sales, Chicago Rally Attracts Big Crowd, Many Questions

About 700 people packed the ball room of the Midland hotel in Chicago to hear the discussion of comprehensive liability insurance sponsored by the educational committee of the Insurance Institute of America. Following the talks of E. W. Sawyer, New York, attorney National Bureau of Casualty & Surety Underwriters, and J. H. Eglof, Hartford, casualty field service supervisor Travelers, a panel of local men conducted a forum, with many questions put by the audience.

Mr. Sawyer explained the background of the comprehensive liability program and put up a strong argument against permitting any exceptions and deletions of coverage. He said that the next six months will tell whether the insurance business will move to a real coverage of all liability of assured or whether the comprehensive policies will degenerate into glorified schedule policies.

### Must Develop Rate Bases

Product, property damage and part of the contractual hazard are now optional coverage, Mr. Sawyer said, because there is no reliable way of basing rates for these features. There has actually been adverse selection in the product and property damage lines, assured who were exposed to undue losses being the principal buyers. Part of the contractual hazard is readily ratable, but the balance may be compared to "absolute in advance for sins yet to be committed." Automatic and mandatory coverage of these hazards awaits the development of a sound plan.

Similarly, Mr. Sawyer pointed out, there is pressure on underwriters today to eliminate hazards for which no equitable rate is handy. He cited unlicensed automobiles, laid up automobiles and classifications for which the manual rates contemplate limited coverage. The expedient thing would be to eliminate these coverages or to incorporate the usual exclusions, but the sound course would be to work out rates commensurate with the exposure. Underwriters have done more difficult jobs and can do this if they will stick by their guns, he said.

### State Rules to Be Considered

It was comparatively easy for an individual company to work out a comprehensive liability policy in an unregulated territory using a combination of manual and judgment rates, Mr. Sawyer said, but in the nation wide program each cost factor must be justified to a regulatory body. This accounts for many of the detail features to which some have objected in the current policy and rules.

If the insurance business has the courage to take the sound path instead of the expedient path, Mr. Sawyer said, it will quickly arrive at a situation similar to that of workmen's compensation. It can tell an assured that his liability is completely covered and his sole problem will be to make his own rate by controlling his hazard.

Mr. Eglof made a powerful impression on the audience with several striking examples of the complete coverage of the policy. He held in one hand a package of individual policies, tied together by a string, and in the other a single com-

## Announce New York A. & H. Sales Congress Program

NEW YORK—The committee in charge of the sales congress of the Accident & Health Club of New York, scheduled for March 21 at 120 William street, has mailed out more than 3,600 questionnaires to producers, inviting them to participate in the congress and to qualify for the numerous awards which will be made.

R. W. Pope, Employers Liability, club president, will open the meeting and introduce three outstanding accident and health producers. There will be a reception at noon, when agents and brokers can get acquainted with company representatives, who will be on hand with a display of sales promotion material.

The afternoon session will be an open forum for questions on accident and health coverage. Three members of the club will act as a panel of experts and those attending will be given a chance to "stump the experts." W. C. Jeffrey, Royal Indemnity, is sales congress chairman.

At its meeting this week the club will hear Dr. Howard Carrington, international lecturer on psychic research.

## Reduce Compensation Rates for Non-Scheduled Flying

NEW YORK—The National Council on Compensation Insurance has reduced the rates for several aircraft pilot classifications for non-scheduled operations. These rates had been producing premiums higher than personal accident premiums for the same risks and accident experience had been entirely satisfactory, with the result that accident insurance had superseded compensation coverage in many cases where the latter was not mandatory.

The new rates have been approved in Arkansas, Florida, Maryland, North Carolina, New Hampshire, South Carolina, Virginia, Vermont, Connecticut, Idaho, Illinois, Iowa, Nebraska and South Dakota. Advisory filings have been made in Montana and New Mexico.

## Seek Receivership for Cincinnati Mutual Company

COLUMBUS, O.—The Ohio department has filed suit against American Underwriters Mutual Casualty of Cincinnati for liquidation, saying its liabilities exceed its assets.

## P. J. Lynch in Pittsburgh Post

Standard Accident has appointed P. J. Lynch as manager of the bonding department at Pittsburgh succeeding R. J. Carr, resigned. Mr. Lynch was transferred from Philadelphia, where he was assistant to the manager of the bonding department. He has been with the company since 1931.

## Map Kansas City "Week" Plans

KANSAS CITY—The meeting of the Kansas City Accident & Health Association will take up final planning and preparation for celebration of Accident and Health Week. The week will be inaugurated by a breakfast March 24 to be attended by many leaders in civic and business life.

## Tackle Defense Bond Problems

NEW YORK—Surety companies have not yet agreed upon a method for handling the large bonds called for by the government in connection with its vast defense program. Conferences upon the subject held by executives last Friday and Saturday will be continued from time to time to tackle the many problems involved.

comprehensive policy. The string, he said, is the 1 percent charge which ties individual protection into comprehensive coverage.

Comparing the comprehensive form to

(CONTINUED ON PAGE 53)

## A. & H. Opportunities Told at Cleveland Congress

CLEVELAND—The eighth annual sales congress of the Cleveland Accident & Health Association brought out large attendance to hear some of the country's foremost experts on accident and health insurance. C. F. Stewart, Massachusetts Bonding, president of the Cleveland association, welcomed those attending and called the Congress to order. R. B. Coffman, Pacific Mutual, a director of the association, was chairman of the morning session. B. C. Sauer, Fidelity & Casualty, also a director, presided in the afternoon.

E. H. Ferguson, Great Northern Life, Chicago, president National Accident & Health Association, very appropriately spoke first on the morning program, discussing the value of associations and opportunities in the accident and health field briefly. He paid tribute to the old Cleveland Casualty Club as a forerunner of the present organization. When the national was formed there were 18 original member associations. Today there are 31. This year, he said, accident and health men are trying to sell three years' business in one year. There is a great selling opportunity today, he declared. People are working and earning good money and the insurance need is ever present. He predicted that there will be a let-down when national defense program is over, and urged taking advantage of present opportunities.

## Gordon Reviews A. & H. Week

Harold R. Gordon, executive secretary Health & Accident Underwriters Conference and chairman of the Accident & Health Week general committee, who was not on the program, was called upon to speak briefly. He reviewed the history of Accident & Health Week. In 1934 accident and health premium volume was 164,000,000. Last year it approximated \$275,000,000. The business, he said, is going to increase and 1941 should show at least a 15 percent increase in premiums over 1940.

W. B. Cornett, superintendent of agents Loyal Protective Life, who was unable to be present, sent a recording of his talk on "Accident & Health Is Primary Insurance." He said he got his first taste of association work when he attended an accident and health sales congress in Cleveland some years ago.

The word "primary" means that which is first in rank. Accident and health, he said, very well fills that definition, "because all forms of insurance are good only if you protect the income that pays the premium." In so many cases everything is protected but the source of income.

## Lauds Cleveland Veterans

Mr. Cornett paid his respects to two Cleveland men, H. A. Cunningham, Aetna Life, dean of association work, and W. B. Watkins, Travelers, who has the world record for selling accident insurance. The accident and health business owes these men a debt of gratitude for pointing the way, he said.

About 98 percent of the population in this country depends on the pay check, he said. Some 26 percent of American families get from \$1,000 to \$5,000 per year. The other 74 percent get less than \$1,000.

Bombs in England killed far less last year than accidents killed in this country. "And remember the public pays for accident and health protection whether it has it or not," he added.

"We can truthfully say that accident and health insurance is business insurance; that it is credit insurance; family insurance; peace of mind insurance, and educational insurance. In fact, all bills depend upon such protection when money and earning power are gone."

Spencer Welton, vice-president Massachusetts Bonding, speaking on "Ring-ing the Dinner Bell," urged agents to "be sure that every client in your own

office has all the coverage he ought to have in all needed lines of protection.

"In no division of insurance is there better salesmanship than in the accident and health field, and yet we fall down when compared to other lines of business. For instance, stores nearly always try to sell you something else than the original intended purchase, thereby boosting the amount of the transaction.

"In the insurance business we don't try to sell all possible lines as a rule. Yet if you have sold one policy, you have a good entry to sell another. Your foot is in the door and greater opportunities lie inside."

Personal solicitation plus mail solicitation is needed, the speaker asserted. "I believe the best way to sell is to start out with a bang. Send a letter a day for five or six days to your list of prospects. It doesn't matter so much what you say. And don't be afraid of overdoing it. I would rather lose business by too much attention than too little. Variety in letters, with unique styling to attract the eye, give the letters more punch." Mr. Welton demonstrated from his own experiences.

At the luncheon Judge Lee E. Skeel spoke on "Safety as a Necessary Adjunct to Preparedness," stressing the need of accident prevention at home and on the city streets.

Eliot Ness, safety director city of Cleveland, opened the afternoon program with a talk on "Accidents Do Happen—Why?" He gave the results of a study in Cleveland, showing what carelessness, state of mind, and other negative conditions do to the accident record. Cooperation is the big answer, he said.

## Robinson on Cheap Insurance

W. A. Robinson, actuary of the Ohio department, spoke in place of Superintendent Lloyd, who was unable to be present. Mr. Robinson told how the public is misled as far as cheap insurance is concerned. "We tell them," he said, "that a good accident policy with good full coverage will cost at least \$25, and that anything less takes away something. Misunderstandings bring about the payment of much money in claims which otherwise would not be paid. We are constantly fighting the unauthorized companies which do business by mail. People inquire about these companies at the department and then frequently go right out and buy from them instead of taking good advice. Many of these companies feel we are against them because they do not take out licenses in the state. The truth is that many could not obtain licenses if they applied for them.

"Ohio has long had a rule that no domestic company here can advertise or solicit business in other states unless they are licensed there. We feel that if other states had the same type of ruling, there would be no more unauthorized companies."

## Situation on Hospitalization

Hospitalization, said Mr. Robinson, has caused a great deal of extra activity in the department, and there have been many hospital claims. There is a bill before legislature now, known as the medical care bill, which appears to have a good chance of passing. This bill simply provides that a doctor will contribute his services for a certain annual stipulation. "In other words, you pay a price and the doctor takes care of the family." It seems to be set up as an answer to the federal government's recommendation of socialized medicine.

Speaking on "Why Sell Accident Insurance," W. T. Harper, vice-president and agency director Maryland Casualty, said that 40 years ago only 13 percent of the people held any insurance. Today 84,000,000 have insurance — about one out of every two. "Every life in-

(CONTINUED ON PAGE 53)



(CONTINUED FROM PAGE 28)

Michigan. The governor also urges the public to protect its income with accident and health insurance.

At the luncheon the Borden & Busse talking film, "Autopsy on a Lost Sale," will be presented and H. B. Brown, Philadelphia, general manager Philco Radio & Television Corporation, will conclude the congress with his address on "Keeping Up With the Public."

### Reports on Combined Mutual Casualty, Chicago

The Illinois department has published results of its first examination of Combined Mutual Casualty, an accident and health company of Chicago, which was licensed Jan. 29, 1940. Assets as at Dec. 31, 1940, were \$63,193, and surplus \$53,121. The guaranty fund certificates unpaid amount to \$60,350.

The examiners state that acts of service, not provided for in the agency agreement, have been performed by the Combined Registry Company for the benefit of Combined Mutual Casualty for which no charge has been made. President W. C. Stone has made expenditures in the interest of the company for which he has not requested reimbursement.

Mr. Stone is president, treasurer and chairman; J. V. Stone, A. M. Stone and F. E. McCabe, are vice-presidents; E. R. Dettman is secretary and L. V. Kiss is assistant secretary. The company is licensed in Nevada, Maryland and Arkansas as well as Illinois. It issues limited accident policies for annual premiums of \$1.50 and \$2.

All policies are sold through the Combined Registry Company. The agency is responsible for all agency expenses, costs of collecting premiums and keeping records. Commission rates vary from 60 to 70 percent.

From organization to Dec. 31, net premiums written were \$14,589, losses paid \$857. Total income was \$77,151, including proceeds of guaranty fund certificates of \$60,350. Total disbursements were \$14,015. Principal holders of certificates are W. Clement Stone, \$33,000 and Combined Realty Company, \$23,000.

The only salary paid was that to S. P. Brooks for services as general counsel.

The home office property is carried at \$35,000. It consists of a building and garage at 5316 Sheridan road, Chicago. It was formerly owned by the Combined Realty Company.

### Survey Edition to Be Off the Press Next Week

Next week The Accident & Health Review will mail its annual Survey Edition to subscribers. This is the outstanding event in the accident and health business as the 64-page issue gives a complete review and background material for the business. There is a special series of articles showing how leading producers sell people in specific occupations which will be a distinct help in aiding agents to increase their premium volume. There will be a complete statistical review and special compilation of the figures showing the extent of disability. Those who do not subscribe to The Accident & Health Review can get their copy of the Survey Edition by sending in their subscription at once. A handy subscription card is in this issue. The subscription price is \$2 a year and orders should be sent to 175 West Jackson boulevard, Chicago.

### Free Policies Without Group Feature O. K. in Texas

United Travelers has written a new free accident policy that is issued by Gulf Oil Corporation dealers in Texas to their customers. In the summer of 1940, Attorney-general Mann gave an opinion that United Travelers could not write such policies under the group plan. The new policy eliminates the group feature and the attorney-general has given his approval to it. The policy pro-

vides for \$250 principal sum and \$10 a week for a limit of five weeks in the event the insured is hospitalized on account of disability. Each customer may acquire four policies free, which may run concurrently.

### Push A. & H. Plan in Installment Finance Field

Slater Service, Inc., at 265 Main street, Worcester, Mass., is now aggressively pushing the sale of accident and health insurance in connection with automobile finance business. It has prepared a brochure on the subject and it is advertising to finance companies. H. J. Small, general agent of North American Accident, is president. The insurance is written by North American Accident of Chicago. The plan provides protection to the purchaser on his monthly payments in the event of disability due to accident or illness and gives full protection of his total indebtedness in the event of accidental death.

All borrowers from ages 18 to 70 are eligible and there are no restrictions as to occupation and no medical examination is required. Should the borrower become disabled through accident or illness, North American Accident will pay the amount of the note due after the first 14 days of disability and as long as the disability continues during the term of the note. Either the finance company or Slater Service will write the policy.

The business is being written rather generally throughout the East, through Slater Service. There is a flat rate to age 65, beyond that there is an over age charge.

### Ski Hazard in U. S. Small Despite Popularity of Sport

The skiing hazard in this country is considered too minor to receive any special underwriting attention. When a ski claim comes in, a company may ask for a ski rider. In Canada considerable restrictions have been imposed by accident underwriters to offset skiing accident losses.

Even those American companies that sell short term accident policies in connection with railroad tickets do not regard skiing as being widespread enough to take special precautions.

The answer seems to be that skiing as a sport is not nearly so widely participated in by Americans as by Canadians. While skiing has increased in popularity in the last few years in the middle west, and a number of persons go to Wisconsin or Sun Valley from the Chicago area for the sport, only four minor accidental injuries were recorded last year by one of the larger companies.

### Loyal Protective Coast Rally

Loyal Protective Life held a three-day school in Portland, Ore., for its west coast supervising general agents. Subjects covered were recruiting, selection, training and supervising of agents. The school was conducted by Vice-president E. B. Fuller, from the home office in Boston, assisted by J. W. Martin of Portland, western field supervisor.

Experience of the company, according to Mr. Fuller, has proved that when an agent has been carefully selected and thoroughly trained, his chances of success are not only greater, but the persistency of the business written proves to be more favorable, resulting in a more profitable connection for both agent and company.

### Uncover Fake Accident Ring

ST. LOUIS—Postoffice inspectors investigating a fake accident ring that has been operating in Kirksville, Mo., and vicinity have estimated that members have collected about \$75,000 on approximately 50 fake accident claims during the past 14 years.

D. V. Mardis, Kirksville, was arrested on charges of mail fraud. Federal warrants charging use of the mails in



*This FAST, DEPENDABLE SERVICE means extra profits for You*

Here's an organization built on service—service to you and your clients—speedy, dependable plate glass replacement in a limited territory, serving Chicago and its vicinity. A fleet of fast, modern trucks operate with lightning speed to replace plate glass quickly and efficiently with the least inconvenience to your clients.

Think what this fast service means—it means extra dollars to you because the American Glass Company strives at all times to serve your clients better and thus help you keep plate glass insurance sold.

In Chicago and vicinity, the American Glass Company is by far best qualified to render a superior plate glass replacement service.

Phone  
**MOHAWK**  
**1100**

*American Glass Company*  
1030-42 NORTH BRANCH STREET • CHICAGO

furtherance of a scheme to defraud also were issued against R. E. Greenstreet, A. F. Rummerfield, J. E. Mardis, son of D. V. Mardis of Kirksville and Dr. F. L. Schmitt of Edina, Mo.

The charge against Mardis grew out of the alleged injuries to Greenstreet, which he claimed to have sustained in an automobile accident.

Greenstreet had policies with the World, Great Northern Life, London Lloyds and Continental Casualty.

#### Study X-Ray Charges

The San Antonio Claim Men's Association, studied the problem of a variation in charges for x-ray pictures made of claimants in accident cases, and the arbitration committee was instructed to make a study of the situation with a view to securing a standardized scale of charges for x-ray pictures. The association also discussed the problem of fakers and unfair claimants and the possibility of improving the handling of such cases.

#### Hospital Payments Are \$25,000,000

NEW YORK—Associated Hospital Service payments to hospitals for the care of subscribers reached a total of \$25,000,000 the other evening when Dr. S. S. Coldwater, president, handed a check for \$125.50 to former Governor Alfred E. Smith of New York, a trustee of Beekman Hospital.

As of Dec. 31, 1940, the organization had assets of \$5,135,997 and a net surplus of \$2,179,777.

#### Hospital Insurer Loses Suit

The federal court has dismissed the action of National Hospital Service of Washington, D. C., for a writ to compel the District of Columbia department to renew its license. Superintendent Jordan had refused to renew the license as at May 1, 1940, charging that its operations did not correspond to the law governing the fraternal societies.

#### World Entering More States

The World of Omaha recently has entered Ohio and Indiana. It also has plans under way to enter Wyoming and New Mexico within the year. It is now operating in Nebraska, Colorado, Ohio, Indiana and Arkansas.

#### Accident Prevention as Defense Factor N. Y. Topic

Accident prevention as a vital factor in the national economy and in national defense will be studied by safety engineers, insurance experts and military men at the Annual Safety Convention and Exposition April 22-25 in New York. The convention, sponsored by the Greater New York Safety Council, has for its central theme, "Safety-Defense-Liberty."

Among the topics of interest to be discussed is one in the session on building management, "A New Hazard from the Sky." Building owners and operators will hear suggestions taken from experience in England and on the continent on practical methods of reducing personal injury and property damage in the event bomb-dropping planes should invade the western hemisphere.

Those insurance men listed on the preliminary program include: Aeronautical section, "Insurance" by William Brinckerhoff, Brown, Crosby & Co., New York; building management, "The Value of Competition," H. W. Smalley, Travelers, New York; commercial vehicle drivers' seminar, H. F. Demerjian, London Guarantee & Accident, James Devine, Globe Indemnity, and H. A. Goodyear, Glens Falls Indemnity; commercial vehicle quiz, G. H. Chapman, director of safety of American Lumbermen's Mutual Casualty, New York; construction panel, "Rates," H. D. Sayer, manager of compensation insurance rating board; "Training Foremen," A. B. Fleck, eastern supervisor of construction safety engineering of American

Mutual Liability; customer and public—the legal angle, "Precautions Against Accident and Injury," Ashley St. Clair, assistant vice-president Liberty Mutual; fundamental causes of accidents, panel discussion, H. W. Heinrich, assistant superintendent of the engineering department of Travelers; health of workers, chairman, Dr. W. J. McConnell, assistant medical director of Metropolitan Life.

Industrial health, "Dust Counting—Its Significance," N. R. Bernz, Fidelity & Casualty, New York; on guard, chairman, George M. McAlinsh, manager of engineering department of American Mutual Liability; "Gauge of Sincerity,"

Dan Royer, chief engineer of Ocean Accident; "Muzzle That Bite," Herbert Wiberg, assistant secretary Lumbermen's Mutual Casualty; pressure vessels, chairman, William Ferguson, assistant superintendent engineering and inspection division Travelers; safety as related to Latin America, "The Importance of Cost to the Payroll," L. C. Irvine, assistant manager of American Foreign Insurance Association; safety demonstrations, "Electrical Hazards in the Home and in the Factory," Robert Shepard, electrical engineer of Underwriters Laboratories, New York; streamlining our existing streets and highways, "Warrants for One Way

Streets," D. M. McCracken, Liberty Mutual, Boston; training green hands, "Mr. Foreman, Your New Hand," R. S. Elbert, manager engineering and safety division Fireman's Fund Indemnity, New York.

#### Woodward Succeeds Kellett

LOS ANGELES—Richard Woodward is transferred here by the Employers group as claims superintendent. He has been in the San Francisco office for three years, and previously was in the insurance business in Kansas. He succeeds James Kellett, who is taking up personal production here.

These figures show what Markel Service has been able to do for other trucking companies. You'll find most of the leaders insured by Markel, and it will pay you to be able to offer Markel Service to your assureds. They'll appreciate it.

We've had difficulty with other companies because they don't want to insure long haul trucks—so I'm certainly willing to give you a trial. If Markel Service can accomplish these results for others, I'm mighty glad to know about it—maybe they can do the same for me.

MANY transportation executives have found that casualty companies generally are not interested in their bus or truck lines, unless they get a big slice of other preferred business as well! Not so with Markel Service! Our 4-Point Plan guarantees nationwide protection—pro-

vides lower insurance costs due to specialized service! Wide-awake agents represent Markel because they can't afford to take chances with their business! Markel is ready to serve you, too. Write for a copy of "Just Like Finding a Four-Leaf Clover."

## AMERICAN FIDELITY AND CASUALTY Co., Inc. MARKEL SERVICE, Inc.

EXCLUSIVE UNDERWRITERS  
HOME OFFICE: RICHMOND, VA.

Principal Branch Production Offices:  
NEW YORK • KANSAS CITY • LOS ANGELES • CHICAGO • DALLAS • SAN FRANCISCO • BOSTON





## Agent's Report in Rhyme Answered in Like Manner

R. J. Sage, agent for Maryland Casualty at Ironwood, Mich., submitted a report of accident in rhyme to the Gaedke-Miller agency, general agents for Wisconsin and northern Michigan. In making the payment the claim department of the general agency felt that there was nothing to do but to answer Mr. Sage's report in like manner.

Here is the correspondence that passed between the agent and the general agency claim department:

'Twas the day before Christmas and along the street

All cars were stopped, a blockade to meet.

Nobody seemed to get anywhere

Out of the way so they all stayed there.

Our driver saw a chance to turn to the right

If he could back up so he took a sight,

But alas he forgot the length of his truck

And as a result he met with tough luck.

The truck was longer than he expected

But fortunately he is protected.

The truck struck the grille on the first car behind,

And jammed it some as you will soon find.

As to liability it seems quite clear

There is nothing for us to do right here

But to pay the bill for repairs to the same

And thus live up to the Maryland's name.

I leave the rest of the matter to you

And I know that full justice you will do,

And since I am out of rhyme inspira-

tion

I will go no further with my explanation.

—R. J. Sage, agent.

'Tis the day we received the report you sent

About the car that received a dent,

When Lutey's truck, first standing still,

Then backed right up and smashed a grille.

We checked the report of this new claim

And there is no doubt our assured's to blame.

We're happy the bump made no one ill

And the only damage was to a grille.

The day before Christmas comes once a year,

The last chance to shop for someone dear.

Our driver, perhaps, couldn't wait to get thru

Because he still had some shopping to do.

Experience has taught that it doesn't pay

To bump any cars when they block your way,

But to wait awhile, or at least until

No car stands behind with a fragile grille.

So tell our assured, if he wouldn't mind,

When he backs up, he should look behind.

Because if he doesn't, we may get more bills

For a lot of dents and some more new grilles.

Whenever we're shown our assured is wrong,

Our draft goes out and it doesn't take long.

So here it is and, please, if you will,

Use it to pay for the claimant's grille.

—E. L. Krenzlin, manager of claim department.

## Question of Intended Act in Accident Case

The Idaho supreme court affirmed the lower court's decision in *Rauert vs. Loyal Protective Life*. The plaintiff was the beneficiary under a policy issued by the Loyal Protective on her husband. The policyholder and his son were unloading a barrel of buttermilk from a truck when the barrel shifted, slid off all at once and the two men had to catch it. Later in the day the father became ill, was operated on for a hernia two days later and subsequently died.

The company claimed that since the insured was engaged in performing an act which he intended to do, that is, unload the barrel, his injury was the result, not of an accident, but of an intended act and that the policy does not cover his death from such an injury. The lower court, however, ruled to the contrary,

denying the company's motion for nonsuit and for directed verdict. The higher court on appeal approves those rulings and judgment entered for the plaintiff for the value of the policy, plus costs.

## Reversed by High Court

The Tennessee supreme court reverses the decision of the lower court in *Hood*

vs. *National Life & Accident*. The policy provided that the company would pay the proceeds to the beneficiary in the event that the insured died by accidental means. However, death from injuries intentionally inflicted on the insured by himself or another except by burglars or robbers, was excluded. The insured was sitting in a room in a boarding house, when another of the boarders, in an attempt to remove his clothing

against the order of the landlady who was holding them for rent, entered and fired his pistol thereby shooting out the light. When the bulb was replaced, the insured was found on the floor and he died on the way to the hospital as a result of his bullet wound. The court below entered judgment for the plaintiff but the higher court holds that the case was so poorly prepared and presented that it must be remanded for a new trial.

For the SIXTH time—

# Here's LEADERSHIP that counts!

1935 — 1936 — 1937 — 1938 — 1939 — 1940

For the sixth consecutive year Bituminous Casualty leads all companies in Illinois Workmen's Compensation premiums. Illinois employers' premiums to this company during 1940 were \$2,114,789—more than one-tenth of the entire state total for the line.

Bituminous Casualty operates in 20 states and our financial statement shows total assets of \$7,627,339.74, ample surplus and a sum in cash and government bonds which exceeds total liabilities.

—and here's the kind of Service  
all agents appreciate

Seven offices located in Rock Island, Chicago, Belleville, Peoria, Carbondale, Springfield and Terre Haute provide immediate claim, engineering, audit and policy-writing service for local agents and their policyholders.

More than 1,200 Illinois premium producers regularly place business with us.

Policy-writing offices are in Rock Island, Chicago and Belleville, assuring prompt delivery of new policies.

Your inquiry regarding an agency or brokerage connection will receive personal attention.

It pays to know the Bituminous!

H. H. Cleaveland, Pres. & Mgr.

# BITUMINOUS CASUALTY CORPORATION

ROCK ISLAND ILLINOIS



## CASUALTY NET PREMIUMS AND PAID LOSSES IN 1940 IN ILLINOIS

	Total Premiums	Total Losses	Auto. Premiums	Liab. Losses	Other Liab. Premiums	Work. Premiums	Comp. Losses	Fidelity-Surety Premiums	Plate Premiums	Glass Losses	Burglary-Theft Premiums	Prop. D. & Coll. Premiums
Acci. & Cas. ....	275,356	76,345	183,724	43,402	10,166	405	11,931	5,492	349	5,258	2,840	56,725
Aetna Cas. & Sur. ....	1,944,684	853,091	526,051	273,151	225,624	31,410	526,313	252,638	305,231	160,898	46,326	189,949
Aetna Life .....	996,306	538,695	514,621	216,383	563	4,365	337	954	.....	.....	.....	90,680
Allstate .....	672,383	292,506	1,454,916	656,259	.....	.....	.....	.....	.....	.....	.....	157,762
Amer. Auto. ....	1,906,364	864,045	.....	.....	.....	.....	.....	.....	.....	.....	.....	461,448
Amer. Cas. ....	300,030	61,685	107,157	25,781	8,466	799	32,261	14,274	.....	5,273	3,032	40,740
Amer. Employ. ....	312,970	98,282	116,516	30,551	26,654	1,083	68,965	29,145	.....	5,625	3,548	38,916
Amer. Fld. & Cas. ....	311,380	289,871	250,878	216,480	.....	.....	.....	.....	.....	.....	.....	60,501
Amer. Guar. & Liab. ....	29,968	17	.....	.....	.....	.....	.....	.....	.....	.....	.....	73,390
Amer. Indem. ....	333,582	159,256	185,947	87,044	743	.....	.....	.....	.....	21,186	9,228	100,019
Amer. Motorists. ....	359,313	139,566	162,511	59,001	14,882	1,314	88,362	36,527	.....	1,188	618	56,443
Amer. Mut. Liab. ....	977,397	436,340	79,583	34,368	39,622	5,761	800,618	278,410	.....	440	288	33,540
Amer. Reins. ....	152,933	10,217	20,306	3,175	16,452	—6	35,335	1,030	.....	.....	.....	11,473
Amer. States ....	239,791	72,352	120,545	28,862	.....	.....	.....	.....	.....	.....	.....	94,369
Amer. Surety ....	398,408	46,625	27,740	10,548	11,403	3,102	35,763	13,708	285,981	9,141	6,218	11,128
Arex Indem. ....	6,582	2,285	57	.....	1,396	21	3,497	1,637	.....	.....	.....	22
Assoc. Indem. ....	202,143	94,526	2,047	18,441	14,159	1,786	184,524	69,802	.....	.....	.....	1,423
Atlantic, Tex. ....	81,958	56,729	41,582	5,770	10,714	.....	.....	.....	.....	2,345	2,050	4,542
Auto. Club of Mo. ....	42,827	16,176	19,703	7,663	.....	.....	.....	.....	.....	.....	.....	17,675
Bankers, Ind., N. J. ....	571,801	251,389	110,544	54,910	123,465	32,079	217,264	109,180	.....	39,972	30,571	39,883
Bituminous Cas. ....	2,268,232	1,142,188	.....	.....	125,857	18,413	2,114,789	1,116,337	.....	.....	.....	27,585
Car & General. ....	817,601	395,431	422,956	232,966	147,127	10,483	82,067	56,097	.....	12,522	15,639	132,602
Cas. Ind. Ex., Mo. ....	22,217	2,779	.....	22,217	2,779	.....	.....	.....	.....	.....	.....	.....
Cas. Mut. ....	32,424	24,263	.....	1,676	1,213	27	31,113	22,520	.....	.....	.....	98
Cas. Recipr. Ex., Mo. ....	135,744	99,629	47,112	39,837	3,564	1,357	63,852	48,277	.....	.....	.....	20,408
Central Mut. Pl. Gl. ....	35,475	14,479	.....	.....	.....	.....	.....	.....	.....	35,475	14,479	.....
Central Surety, Mo. ....	344,435	176,716	186,383	84,759	17,749	3,826	41,002	22,284	.....	15,493	11,569	57,070
Century Indem. ....	383,956	159,168	77,743	32,441	66,799	20,474	94,261	40,401	53,299	18,895	15,081	31,438
Chicago Brick Exch. ....	22,183	14,549	.....	.....	.....	.....	22,183	14,549	.....	.....	.....	.....
Chgo. Ice Prod. Mut. ....	98,304	41,993	28,824	11,645	3,845	566	49,119	24,228	.....	.....	.....	12,293
Chgo. Motor Club. ....	2,496,019	938,425	1,154,047	388,588	.....	.....	.....	.....	.....	.....	.....	962,688
Chgo. Mut. Pl. Gl. ....	5,967	3,546	.....	.....	.....	.....	.....	.....	.....	5,967	3,546	469,753
Citizens Cas., N. Y. ....	127,873	38,793	109,833	32,823	.....	.....	.....	.....	.....	.....	.....	18,045
Columbia Cas. ....	172,790	36,244	.....	3,015	17,979	1,570	48,225	21,849	35,559	8,202	5,478	9,667
Commercial Cas. ....	636,234	256,573	237,639	87,294	95,515	26,640	20,331	5,788	19,606	53,327	31,585	72,647
Coml. Standard, Tex. ....	309,767	157,191	138,411	75,440	7,270	4,866	80,070	33,487	.....	2,494	2,656	69,184
Conn. Indem. ....	24,364	18,779	16,832	13,981	21	.....	.....	.....	.....	13	.....	7,432
Consol. Und., Mo. ....	314,537	152,349	127,546	63,330	3,722	711	68,705	37,606	.....	.....	.....	73,726
Continental Cas. ....	3,629,564	1,348,872	839,707	279,380	310,601	76,767	618,276	273,945	247,585	132,909	67,814	278,696
Cook Co. Farm. Mut. ....	51,497	32,270	20,492	17,253	689	42	.....	.....	.....	.....	.....	24,462
Credit Union Exch. ....	4,998	52	1,545	.....	.....	.....	.....	.....	.....	.....	.....	3,046
Dearborn Natl. Cas. ....	41,794	3,947	23,038	3,493	3,650	525	.....	.....	.....	5,524	—1,779	9,128
Eagle Indem. ....	178,268	87,094	44,788	35,165	23,965	6,622	50,688	23,081	10,411	6,834	3,764	14,332
Econ. Auto. ....	674,296	286,364	306,647	137,076	.....	.....	.....	.....	.....	.....	.....	280,810
Emmeo Cas. ....	4,012	232	2,839	157	.....	.....	.....	.....	.....	.....	.....	1,174
Empire Mut., Ill. ....	126,741	51,796	63,983	24,410	.....	.....	.....	.....	.....	.....	.....	47,713
Employers Cas. ....	27,309	14,825	6,430	345	1,231	.....	14,931	33,490	.....	107	.....	4,581
Employers Liab. ....	1,087,234	445,293	241,432	80,142	117,637	36,206	448,889	242,282	26,663	—3,029	15,681	90,865
Empl. Mut. Cas., Ill. ....	631,776	375,027	183,149	92,599	44,052	14,527	319,504	230,365	.....	554	183	74,492
Empl. M. Liab., Wis. ....	2,252,947	1,121,675	185,400	72,483	148,797	30,950	1,795,384	961,650	.....	2,658	1,672	119,709
Employers Reins. ....	508,067	158,291	323,680	92,328	41,013	5,750	54,059	20,023	26,483	4,054	—7,633	25,574
Equity Mutual ....	59,551	42,832	10,755	3,432	8,881	7,867	18,823	28,743	.....	6,052	130	14,932
Europ. Genl. Reins. ....	595,420	136,933	89,287	42,429	35,270	104	8,407	286	202,316	7,284	14	18,740
Excess ....	85,416	32,745	50,458	25,144	734	.....	17,051	305	.....	9,960	4,371	6,960
Factory Mut. Liab. ....	38,117	11,356	25,048	7,567	66	.....	.....	.....	.....	.....	.....	12,758
Farm A. Ins. A., Ill. ....	598,261	347,352	65,271	41,636	.....	.....	.....	.....	.....	.....	.....	358,702
Fidelity & Cas. ....	2,295,903	1,027,645	386,816	211,037	256,404	73,909	799,035	478,744	222,119	14,843	51,378	133,793
Fidelity & Deposit. ....	836,925	197,496	.....	2,951	.....	.....	.....	.....	771,763	79,490	15,903	27,148
Fireman's Fund Ind. ....	135,021	49,428	33,851	17,280	16,397	5,116	19,337	9,972	39,756	3,806	5,085	12,102
Founders Mut. Cas. ....	50,204	18,213	.....	.....	.....	.....	50,204	18,213	.....	.....	.....	10,839
Freeport Motor Cas. ....	788,450	243,771	406,399	103,381	.....	.....	.....	.....	.....	.....	.....	286,194
General Accident. ....	1,927,832	953,058	673,593	346,389	181,377	40,884	641,240	356,743	.....	15,655	17,534	217,096
Genl. Cas. of Amer. ....	11,912	379	2,292	.....	2,951	.....	153	.....	3,274	.....	241	379
General Cas., Wis. ....	463,508	76,993	207,750	12,282	.....	.....	.....	.....	.....	.....	.....	203,529
Genl. Ind. Ex., Mo. ....	4,182	1,111	1,403	1,281	106	.....	1,588	346	.....	.....	.....	812
Genl. Reins. ....	222,294	51,362	65,106	6,906	642	359	7,709	—1,672	89,194	29,632	506	781
Genl. Transp. C. & S. ....	632,891	185,749	568,217	158,213	.....	.....	15,990	3,515	.....	.....	.....	4,388
Glens Falls Indem. ....	446,995	157,901	97,526	28,951	70,356	18,477	90,791	30,538	85,267	39,921	21,361	48,512
Globe Indem. ....	668,607	264,784	135,165	59,182	81,655	39,284	171,826	88,383	118,731	14,502	25,645	33,314
Great Amer. Indem. ....	257,104	58,994	64,716	20,379	25,200	7,089	77,168	22,529	51,829	—7,893	7,465	11,384
Great Cent. Mut. ....	105,586	24,012	.....	.....	.....	.....	.....	.....	.....	.....	.....	23,164
Guar. of No. Amer. ....	10,961	1,018	.....	.....	.....	.....	.....	.....	10,962	1,013	.....	24,012
Hardware Indem. ....	1,192	42	517	.....	256	.....	.....	.....	.....	87	.....	.....
Hardware Mut. Cas. ....	858,193	410,641	273,001	121,935	43,229	12,621	331,504	180,765	.....	19,572	8,188	172,459
Hartford Accl. ....	3,144,881	1,237,877	814,327	341,252	297,649	82,890	973,458	548,885	412,295	30,458	42,868	301,060
Hawkeye Cas. Co., Ia. ....	742	230	307	12	.....	.....	.....	.....	.....	.....	.....	260
Highway Mut. Cas. ....	240,757	78,751	.....	6,415	79	233,964	78,661	.....	.....	.....	.....	378
Home Indem. ....	243,833	65,853	107,616	33,724	40,581	6,806	.....	.....	32,961	368	10,827	36,189
Hoosier Cas. ....	112,507	43,265	32,802	14,614	.....	.....	.....	.....	.....	.....	.....	28,217
Ill. Agric. Mut. ....	1,851,080	1,098,970	653,261	337,937	42,752	12,196	.....	.....	.....	.....	.....	888,236
Illinois Cas. ....	421,184	154,662	187,896	62,563	.....	.....	.....	.....	.....	.....	.....	180,943
Ill. Mut. Pl. Gl. ....	11,543	5,458	.....	.....	.....	.....	.....	.....	.....	11,543	5,458	79,734
Ill. Natl. Cas. ....	499,557	171,268	227,201	69,259	.....	.....	.....	.....	.....	.....	.....	209,371
Indem. of No. Amer. ....	672,567	175,695	173,100	43,682	146,575	19,893	137,724	45,143	65,901	7,598	14,948	74,021
Inland Bonding ....	19,265	.....	.....	.....	.....	.....	.....	.....	19,265	.....	.....	.....
Iowa Mut. Liab. ....	378,201	140,563	108,920	26,268	16,861	1,997	138,022	68,481	.....	.....	.....	89,378
Liberty Mut. ....	2,480,533	1,209,287	379,953	166,199	197,879	42,406	1,630,199	898,575	91,945	7,196	3,345	157,842
London & Lanc. Ind. ....	110,441	75,232	26,770	14,781	12,896	16,841	12,910	11,425	6,286	6,303	11,690	9,356
London Guar. ....	1,533,710	659,194	331,794	172,869	230,759	67,021	637,714	305,312	—520	29,242	17,558	127,361

(CONTINUED ON NEXT PAGE)

## MEEKER-MAGNER COMPANY

General Agents

## GENERAL ACCIDENT

FIRE AND LIFE ASSURANCE CORP., Ltd.

Assets \$40,621,568.65

Surplus to Policyholders \$13,864,175.43

1821 Insurance Exchange Bldg. • Chicago, Illinois • Phone Wabash 0460



## (CONT'D FROM PRECEDING PAGE)

	Total	Auto. Liab.	Other Liab.	Work. Comp.	Fidelity-Surety	Plate Glass	Burglary-Theft	Prop. D. & Coll.
	Premia. Losses	Premia. Losses	Premia. Losses	Premia. Losses	Premia. Losses	Premia. Losses	Premia. Losses	Premia. Losses
London Lloyds Underw.	3,113,848	1,129,175	43,982	19,048	1,214,257	248,670	—3,958	—16,209
Lumber M. Cas. Ill.	2,552,768	949,372	624,876	208,553	153,634	23,891	1,222,799	671,592
Madison Co. M. Auto.	185,810	119,098	50,632	33,095	.....	.....	.....	.....
Manh. M. Auto. Cas.	274,045	90,529	264,347	88,245	.....	.....	.....	.....
Manufacturers Cas.	301,971	148,419	162,155	92,452	6,705	446	69,085	22,667
Maryland Cas.	1,329,995	518,959	211,860	97,961	120,466	37,860	351,539	213,880
Mass. Bonding	868,559	359,678	121,273	57,472	85,120	33,906	219,357	113,313
Medical Prot.	147,952	40,320	.....	.....	147,952	40,320	.....	.....
Mellon Indem.	202	.....	.....	.....	.....	.....	.....	.....
Merch. Indem. N. Y.	53,447	17,139	49,556	17,138	51	.....	22	1
Metropolitan Cas.	376,072	181,399	134,135	60,770	44,840	10,578	15,797	7,800
Midwest Auto. Und.	6,361	36,697	.....	24,364	.....	.....	.....	.....
Mich. Mut. Liab.	6,446	105	.....	1,807	.....	.....	2,213	105
Motor Vehicle Cas.	561,758	264,956	278,958	139,269	.....	.....	.....	.....
National Cas.	254,029	104,664	42,324	11,679	12,543	2,496	22,129	8,439
Natl. Grange M. L.	9,258	2,217	5,001	755	.....	.....	.....	.....
National Surety	349,286	109,574	.....	.....	.....	.....	.....	.....
New Amer. Cas.	686,352	260,675	97,052	63,150	104,043	19,311	232,096	94,965
New York Cas.	99,828	90,660	28,552	17,102	.....	.....	.....	.....
New York Cas.	75,131	27,025	9,525	6,334	7,419	2,577	11,562	2,824
Northwest Natl. Cas.	50,379	15,746	33,658	7,586	.....	.....	.....	.....
Norw. Un. Ind. N. Y.	8,841	798	1,225	20	529	.....	.....	12
Occidental Indem.	14,779	2,292	808	.....	2,469	1,567	.....	4,159
Ocean Accel.	657,556	188,458	76,244	18,670	83,572	9,859	201,036	73,821
Ohio Cas.	576,457	198,893	277,737	102,286	10,003	1,893	.....	62
Peerless Cas.	6,687	501	243	.....	.....	.....	.....	6,527
Penna. Cas.	151,773	26,375	106,977	13,712	.....	.....	.....	.....
Phoenix Indem.	570,163	199,559	112,942	40,668	142,958	50,093	193,766	68,958
Prairie St. Farm.	33,979	10,665	13,892	2,576	.....	.....	.....	.....
Preferred Accel.	513,587	148,568	318,169	79,082	6,046	646	.....	.....
Protective Indem.	62,694	26,038	45,841	15,449	801	.....	.....	.....
Royal Indemnity	632,258	200,566	142,321	54,754	62,993	18,211	198,794	75,720
Ret. Meat Dealers	7,341	3,636	.....	.....	.....	.....	.....	.....
St. Paul Mercury	335,084	59,834	38,699	21,778	145,183	8,205	18,595	9,965
Savings Mut. Cas.	32,783	56,584	15,417	43,044	.....	.....	.....	.....
Seaboard Surety	125,170	11,492	.....	.....	114	.....	1,505	.....
Security Mut. Cas.	618,774	260,298	78,084	26,685	44,547	31,820	439,300	203,661
Shelby Mut. Pl. Gl.	32,034	12,657	.....	.....	30	.....	.....	.....
Standard Accel.	1,052,852	373,382	135,888	68,523	135,910	34,556	365,178	178,526
Standard Mut. Cas.	211,821	60,218	118,299	26,045	.....	.....	.....	.....
Standard Sur. & Cas.	649,462	229,386	264,325	96,123	42,981	9,773	139,197	46,257
State Auto. Ins. Assn.	2,210	903	477	.....	.....	.....	.....	.....
State Farm M. Auto.	1,693,277	926,152	796,865	444,906	.....	.....	.....	.....
Suburban Auto. Ill.	373,695	135,455	181,922	57,114	.....	.....	.....	.....
Sun Indem.	143,026	32,575	38,805	26,391	15,867	5,567	35,999	16,247
Travelers Indem.	2,068,721	729,904	539,603	181,456	231,053	27,054	752,526	353,900
Travelers	2,769,059	1,599,646	205,789	94,361	90,834	48,529	451,126	307,225
Trinity Universal	627,815	261,679	258,498	114,356	4,072	459	.....	2,039
Union Auto. Ind. Ill.	414,648	145,399	178,203	48,015	.....	.....	.....	.....
Union Ind.	235,162	126,025	105,877	43,547	.....	.....	.....	.....
U. S. Cas.	344,723	130,014	45,698	19,459	37,710	12,221	79,740	71,733
U. S. F. & G.	2,643,003	915,900	415,957	204,951	281,291	59,571	839,997	364,661
U. S. Guar.	227,074	34,979	33,387	14,952	12,572	3,327	—2,692	343
U. S. Mutual	629,802	186,852	303,917	106,718	.....	.....	.....	.....
Universal Indem.	11,311	10,579	8,474	8,699	.....	.....	.....	.....
Utica Mutual	6,251	802	1,921	15	190	47	3,473	161
Utilities, Mo.	150,589	72,051	67,187	31,361	7,993	1,097	24,349	10,371
Virginia Surety	1,455	438	1,126	335	.....	.....	.....	.....
Western Cas. & Sur.	522,558	212,759	95,453	48,480	105,164	26,571	176,405	100,638
Western States Mut.	194,629	51,670	83,228	19,890	.....	.....	.....	.....
Western Surety	3,410	.....	.....	.....	.....	.....	.....	.....
Wis. Mut. Pl. Gl.	6,219	3,459	.....	.....	.....	.....	.....	.....
Yellow Cab Mut.	1,147	24,721	1,072	23,183	.....	.....	.....	.....
Yorkshire Indem.	104,522	40,919	42,456	21,409	5,329	1,510	.....	29,643
Zurich	2,257,566	982,891	448,866	161,621	289,701	77,505	916,110	448,034
Total, 1940	100,318,483	43,676,183	22,701,023	9,449,977	7,072,492	1,653,286	21,017,793	10,657,321
Total, 1939	90,129,754	37,827,702	20,186,068	8,498,150	6,818,285	1,577,246	19,629,047	9,008,126

\*Includes totals in classes shown in accompanying totals and auto. fire, theft, etc., of full cover companies.

## Other Classes of Casualty Business in Illinois in 1940

ACCIDENT AND HEALTH		Hartford Accel.		Prot. Indem.		General Accel. F. & L.	
Premia.	Losses	Premia.	Losses	Premia.	Losses	Premia.	Losses
Accident & Cas.	1,442	151	147,735	56,183	1,214	12,344	1,732
Aetna Cas.	988	.....	.....	.....	.....	.....	.....
Aetna Life	996,031	533,376	.....	.....	254,215	119,955	1,303
Alliance Life	31,252	6,374	13,578	4,073	156,760	50,641	10,995
Amalgamated L. & H.	100,869	3,847	132,849	40,986	506,734	268,580	12,150
Amer. Cas.	3,569	1,400	11,192,701	807,790	22,060	6,637	333,019
Amer. Employ.	6,899	2,074	250,511	115,260	37,562	16,181	28,631
Amer. Motorists	29,497	6,092	192,532	650,146	16,397	6,530	4,767
Amer. Mutual Liab.	291	.....	.....	.....	329	.....	118,902
Amer. Reins.	340	44	21,697	8,486	—1,974	70	81,412
Amer. States	2,332	69	148,910	51,264	248	.....	50,997
Arcadia Mut. Cas.	54,678	5,327	55,613	21,364	67,616	34,035	42,031
Bankers Indem. N. J.	6,216	1,723	25,779	9,215	380	.....	22,262
Bankers Life & Cas.	27,334	6,271	300,240	114,011	4,334	1,322	33,876
Ben. Assn. Ry. Employ.	796,457	543,461	23,460	23,270	1762,949	158,187	36,413
Business Men's Assur.	114,123	66,179	2,093	942	11,591	3,652	11,152
Central Surety	394	.....	.....	.....	2,121,301	1,149,531	72,734
Century Indem.	30,282	23,625	66,411	62,734	129,643	28,882	.....
Columbia Cas.	14,389	2,609	46,964	25,092	15,976	.....	.....
Columbian Natl. Life	20,677	10,157	74,912	20,599	611,015	154,282	.....
Columbus Mut. Life	6,602	2,259	.....	.....	43,989	20,887	.....
Combined Mut. Cas.	12,694	540	136	.....	11,482	4,138	.....
Comm. Cas.	110,358	46,582	66,544	36,185	89,459	30,038	.....
Conn. General Life	243,165	122,857	182,576	62,382	3,601	.....	.....
Cont. Assur.	56,037	24,336	102,549	29,997	1,156	.....	.....
Cont. Cas.	960,606	421,160	479,561	246,571	581,283	237,094	.....
Country Life	2,381	694	158	.....	234	.....	.....
Craftsman	671	781	59,861	28,089	46,171	13,198	.....
Dearborn Natl. Cas.	30	.....	1,806,802	910,778	87,447	43,116	.....
Eagle Indem.	5,961	4,877	214	17	402	.....	.....
Employ. Liab.	50,540	12,789	91,263	34,887	350,039	195,870	.....
Employ. Mut. Ben.	6,427	3,730	48,113	9,247	.....	.....	.....
Employ. Mut. Ben.	151	.....	156,257	65,525	.....	.....	.....
Employ. Reins.	25,477	5,822	1,318,834	651,197	.....	.....	.....
Equit. Life N. Y.	676,146	389,017	142,135	70,164	.....	.....	.....
Europ. Genl. Re.	174,619	72,440	402,999	172,813	.....	.....	.....
Federal L. & C.	16,116	6,257	4,632	4,632	.....	.....	.....
Federal L. Ill.	644,441	358,182	915,751	305,328	.....	.....	.....
Fidelity & Cas.	312,196	129,803	1,261	418	.....	.....	.....
Fidelity H. & A.	49,571	25,322	3,609	.....	.....	.....	.....
Fiorelli's Fund	3,743	585	6,540	4,298	.....	.....	.....
General Accel.	99,275	46,824	81,764	23,818	.....	.....	.....
General Amer. Life	69,110	36,370	6,031	1,089	.....	.....	.....
General Reins.	30,502	15,387	14,658	9,723	.....	.....	.....
George Rogers Clark	160,607	22,899	101,898	43,536	.....	.....	.....
Globe Falls Indem.	15,403	2,934	306,749	158,937	.....	.....	.....
Globe Indem.	24,152	8,839	122,497	51,884	.....	.....	.....
Golden St. Mut. Life	4,754	1,642	134	.....	.....	.....	.....
Great Amer. Indem.	6,728	2,276	11,206	2,123	.....	.....	.....
Great Northern Life	156,695	71,377	19,887	4,032	.....	.....	.....
Guar. Trust Life	110,330	12,167	57,567	26,502	.....	.....	.....
Total, 1940		\$1,072,038		\$96,861		\$1,345,776	
Total, 1939		\$960,092		\$103,351		\$860,987	

## HOSPITAL SERVICES

	Premia.	Losses
Associated Hosp. Serv.	76,726	\$49,211
Asso. Hosp. of Danville	28,340	18,582
Central Ill. Hospital	115,215	86,842
Decatur Hosp. Serv.	65,267	50,287
Group Hospital Service	101,456	68,933
Hospital Service Corp.	1,447,033	1,020,778
Northern Ill. Hosp. Serv.	95,041	49,507
Southside Hosp. Serv.	4,168	1,336
Total, 1940	\$1,933,246	\$1,345,776
Total, 1939	1,285,185	860,987

## LIVE STOCK

	Premia.	Losses
Hartford Accel.	875	\$2,550
Hartford Live Stock	90,026	66,977
Ill. Agricult. Mut.	5,567	3,057
Total, 1940	\$96,468	\$72,584
Total, 1939	89,359	81,372

## CREDIT

	Premia.	Losses
Amer. Credit Indem.	145,552	\$120,985
Employ. Reins.	7,278	4,750
Europ. Gen. Reins.	11,481	1,657
London Guar.	48,573	19,254
Total, 1940	\$212,884	\$145,846
Total, 1939	218,882	99,

(CONT'D FROM PRECEDING PAGE)  
SPRINKLER LEAKAGE AND WATER DAMAGE

	Premia.	Losses
Aetna Cas. ....	14,749	2,740
Indem. of No. Am. ....	1,033	792
London Guar. ....	103	.....
London Lloyds ....	2,266	120
Maryland Cas. ....	2,154	215
Metro. Cas. of N. Y. ....	145	420
U. S. F. & G. ....	592	186
Total, 1940 .....	21,043	4,473
Total, 1939 .....	13,416	1,937

**George Kaiser with Travelers**

George C. Kaiser, of Kentucky, has been appointed assistant manager, fidelity and surety lines, for Travelers Indemnity in St. Louis. He has been in the bonding business 17 years in metropolitan New York, Indianapolis, and Louisville. Lately he has been bond superintendent for Fidelity & Casualty at Louisville.

James H. Dorsey, who was appointed assistant manager, fidelity and surety lines, at Toledo, has now become assistant manager of the same lines in Cleveland.

**Gallagher Succeeds Allen in N. Y. with Standard**

NEW YORK — Vincent Gallagher has been appointed resident vice-president here of Standard Accident succeeding W. L. Allen, retired because of ill health.

Mr. Gallagher's connection with the company dates from 1927 when he became superintendent of the claim department. Subsequently he became associate manager in charge of production. He gained considerable publicity some years ago for his part in breaking up a ring of mortgage forgers that had swindled title companies of the city out of several hundred thousand dollars.

**Safeguards Urged on Medical Bill**

COLUMBUS — While declaring that the insurance interests of Ohio are not opposed to the purpose of the medical care bill introduced in the Ohio legislature at the instance of the Ohio State Medical Association, which is designed to provide medical attention for those in the lower income brackets, Homer Trantham, executive secretary Insurance Federation of Ohio, and W. B. Cornet, executive secretary Ohio Accident & Health Association, appeared before the house committee on insurance and urged that safeguards be provided in the measure. It was said that if the plan should fail in any respect it would reflect on the insurance business. The bill provides that the insurance department shall have supervision of the plan. It also was urged that a ceiling be placed on the incomes of those who may subscribe for the care, if the bill is to serve its full purpose in providing for those of modest incomes. Suggestion also was made that the corporation be required to put up \$50,000 deposit.

**Publish Chicago Cost Rules**

The Cook County Acquisition Cost Council has now gotten out in printed form the acquisition cost rules for Chicago and Cook county as previously adopted. These are available without charge to members of the council and agencies entitled to excess commissions, but a charge will be made to others, inasmuch as the booklet has been gotten out at some little expense.

Also the council has sent out new printed forms, one being an application for relief and the other a blank for designation of quota agents.

**Buffalo Casualty Club Busy**

BUFFALO — The Buffalo Casualty & Surety Club went on record against two bills pending in Congress on the waiving of performance and payment bonds at its March meeting. The club also voted its support to Accident & Health Week and made plans for a

luncheon meeting March 24. J. Ellsworth Buck, president of the club, represented the organization at hearings on the new financial responsibility bill in Albany, reported that the measure apparently has a good chance of passing. Guest speaker was James A. Whitmore, manager of the Buffalo Planning Association.

**Give Show in Annual Party**

LOS ANGELES — The annual high jinks of the Surety Underwriters Association of Southern California was held here. A show was produced in all de-

tails by members, following a banquet. E. P. Fay, chief assistant commissioner; Ray Cheesebrough, city attorney and two assistants were guests. Don Ladd, associate manager Fidelity & Deposit, and Harold Vreeland, bonding superintendent Associated Indemnity, took the female parts.

**Borah Not to Get Ill. Post**

Al Borah, young Republican of Chicago, who had been mentioned as a possible appointee as chairman of the Illinois industrial commission, now is telling friends that the position is not for

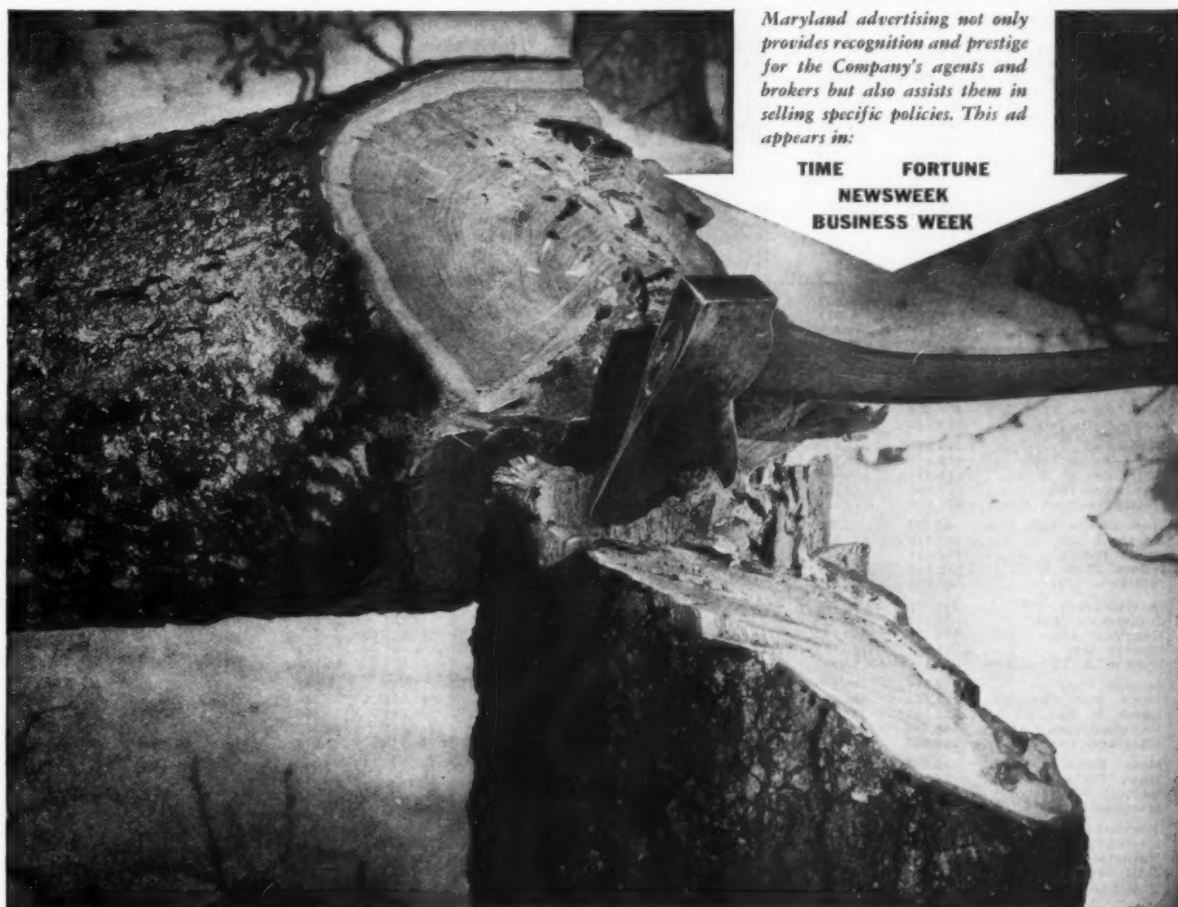
him. The rumor is current that Peter J. Angsten, who has held the position for many years, may be reappointed.

**Big Indiana Probate Bond**

J. Frank Miller, Indiana manager of Maryland Casualty, announces placing a \$1,000,000 bond for Karl Hamilton, executor of the estate of Mrs. Eugene Darach who died last week. This is one of the largest probate bonds to have been placed in Indiana, at least for some time.

Get Non-Resident Agency & Brokerage Laws. \$1. National Underwriter.

**"Unforeseen events . . . need not change and shape the course of man's affairs"**



Maryland advertising not only provides recognition and prestige for the Company's agents and brokers but also assists them in selling specific policies. This ad appears in:

TIME FORTUNE  
NEWSWEEK  
BUSINESS WEEK

**ONE STROKE FELS A TREE**

The woodman's axe bites into the tree again and again. The tree still stands . . . until the final blow fells it.

Just as surely, it takes but *one* blow to fell a trusted employee. Personal difficulties . . . unwholesome ambitions . . . financial problems . . . all cut into his resistance. Then . . . the urge that proves too great . . . the single blow that transforms an honest employee into an embezzler.

When an employee falls, a Maryland fidelity bond

is the employer's protection against loss—and a measure of prevention as well. For The Maryland seeks to improve accounting methods and to close possible loopholes in the handling of funds.

To the employee, a Maryland fidelity bond is a badge of confidence testifying to his responsibility. You will do your company *and your employees* a valuable service by discussing your coverage requirements with a Maryland Casualty agent or broker. Maryland Casualty Company, Baltimore.

**THE MARYLAND**

*The Maryland writes more than 60 forms of Casualty Insurance and Surety Bonds. Over 10,000 Maryland Casualty agents and brokers can help you obtain protection against unforeseen events in business, industry and the home.*



## CASUALTY NET PREMIUMS AND PAID LOSSES IN 1940 IN NEW JERSEY

	Total		Auto. Liab.		Other Liab.		Work. Comp.		Fidelity-Surety		Plate Glass		Burglary-Theft		Prop. D. & Coll.	
	Premia.	Losses	Premia.	Losses	Premia.	Losses	Premia.	Losses	Premia.	Losses	Premia.	Losses	Premia.	Losses	Premia.	Losses
Accident & Cas.	184,313	58,482	90,281	19,444	21,758	4,940	37,405	18,672	493	145	3,997	1,826	2,455	189	25,195	12,801
Aetna Cas.	1,920,785	653,860	592,732	179,327	239,837	35,099	674,914	283,460	243,196	51,201	20,576	10,170	79,221	15,150	146,787	69,330
Aetna Life	445,451	230,166	149,451	70	17,460	253	10,584	103	32,407	.....	.....	.....	.....	.....	60,258	20,394
Allstate	299,667	94,637	239,409	74,333	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	185,509	98,057
Amer. Auto.	905,687	421,697	720,124	323,640	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Amer. Cas.	702,694	212,315	336,560	99,871	52,509	8,756	167,595	44,695	.....	.....	11,947	4,231	10,415	1,831	103,944	47,051
Amer. Empl.	348,568	112,707	144,850	46,763	31,201	17,241	90,075	27,847	20,780	835	3,824	1,573	8,027	2,459	43,339	15,842
Amer. Fid. & Cas.	323,986	233,771	269,994	199,942	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	53,992	33,829
Amer. Guar. & Liab.	13,061	1,905	.....	.....	.....	.....	.....	.....	5,352	1,389	.....	.....	.....	.....	.....	.....
Amer. Ind.	109,205	34,034	77,100	24,344	3,906	.....	.....	.....	.....	.....	1,444	210	1,312	217	25,443	9,263
Amer. Motorists	369,979	143,527	131,421	48,847	12,127	2,764	169,390	66,847	2,459	.....	702	435	4,967	35	43,807	23,962
Amer. Mut. Liab.	1,954,949	1,008,801	257,131	127,608	87,363	13,646	1,306,592	818,605	.....	.....	695	296	3,919	4,933	38,390	43,662
Amer. Policyholders	124,087	64,033	79,000	41,922	8,872	340	10,783	5,958	.....	.....	.....	.....	.....	.....	24,397	15,813
Amer. Reins.	299,839	53,323	153,950	35,153	33,453	.....	44,806	1,199	67,767	13,060	24	.....	4,667	3,005	4,852	850
Amer. States	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Amer. Surety	633,423	215,739	71,560	24,955	52,320	17,657	63,830	27,368	386,597	132,698	8,793	2,734	25,930	566	24,393	9,761
Arex Indem.	2,533	3,504	1,444	25	2,530	1,985	4,549	1,491	.....	.....	9	.....	391	.....	410	3
Associated Ind.	148,057	73,985	34,435	30,546	13,918	6,779	87,059	29,171	10	.....	520	275	973	28	11,952	8,130
Atlantic Cas. N. J.	104,992	26,888	80,414	18,944	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	24,578	7,944
Bakers Mutual	150,977	49,493	.....	.....	30,832	6,851	118,503	41,335	.....	.....	1,642	807	.....	.....	.....	.....
Bankers Indem.	1,182,396	479,012	356,280	141,376	211,172	66,347	422,003	190,488	30	.....	24,043	8,953	36,356	11,597	116,965	44,644
Car & General	386,741	174,730	290,985	81,254	22,882	4,023	92,675	56,670	262	.....	2,074	959	3,777	657	64,042	31,152
Central Surety	296,257	109,044	175,257	68,069	21,020	7,180	27,236	8,220	15,744	1,061	7,068	3,887	8,220	45,779	20,445	.....
Century Ind.	783,189	370,757	231,592	98,393	102,361	32,900	210,931	146,537	66,198	18,938	13,243	5,595	25,429	7,464	74,880	46,629
Citizens Cas.	159,887	121,891	128,972	103,798	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	30,915	18,093
Columbia Cas.	107,347	28,675	25,886	5,285	13,344	2,873	39,832	13,354	10,855	1,956	1,207	390	3,177	416	7,376	2,447
Coml. Cas.	1,340,057	420,001	337,221	138,083	232,423	58,039	67,714	45,375	117,584	12,129	40,113	14,643	22,907	1,975	77,073	40,407
Connecticut Ind.	6,535	1,250	4,716	622	276	.....	.....	.....	.....	.....	34	.....	53	.....	1,456	628
Continental Cas.	890,306	383,350	215,611	106,948	111,028	33,852	215,637	113,460	43,705	5,982	13,040	4,659	23,659	2,557	61,169	26,333
Dearb. Natl. Cas.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Eagle Ind.	300,866	104,630	114,534	29,925	45,437	16,450	45,437	16,450	71,727	34,083	4,975	1,362	13,972	3,140	36,154	15,726
Employers Liab.	1,085,051	442,032	290,151	87,093	114,830	35,562	460,589	242,375	29,062	21,401	9,696	4,753	27,587	9,261	111,419	36,056
Empl. Mut. Liab.	91,721	18,643	14,008	491	7,873	62,312	15,552	7,873	.....	.....	77	.....	4	.....	6,747	2,600
Employers Re.	274,462	63,395	191,171	16,370	10,568	40,500	21,384	4,676	23,563	936	189	.....	4,656	.....	2,265	530
Eureka Cas.	172,605	90,810	78,179	21,024	7,563	223	56,906	55,172	.....	.....	988	124	847	460	28,122	13,807
European Genl.	510,464	141,289	191,058	61,253	30,941	.....	13,915	73	103,943	34,671	122	.....	42,299	7,249	44,473	8,962
Excess	174,902	50,937	121,154	36,912	6,178	.....	8,729	1,500	16,168	6,299	.....	.....	160	.....	21,695	6,226
Exch. Mut. Ind.	10,593	1,913	1,699	1,304	.....	.....	.....	.....	1,913	.....	.....	.....	.....	.....	458	.....
Factory Mut. Liab.	229,268	48,329	169,679	31,633	699	.....	.....	.....	.....	.....	.....	.....	.....	.....	58,890	16,696
Fidelity & Cas.	1,427,552	622,508	246,005	139,885	180,836	82,617	539,196	250,587	184,263	40,466	26,774	11,745	50,578	6,251	82,379	49,748
Fidelity & Dep.	414,028	150,357	.....	.....	.....	.....	.....	.....	321,120	116,246	31,807	17,279	61,101	16,832	.....	.....
Fireman's Fund Ind.	261,170	134,595	74,066	51,289	34,701	10,096	80,714	39,949	24,433	10,332	4,852	2,416	10,641	434	23,001	8,418
Genl. Acc.	1,401,783	484,146	652,017	186,692	108,517	19,825	360,546	158,791	158,791	7,000	4,552	23,489	9,444	2,222	197,729	84,111
Genl. Reins.	174,170	98,498	47,795	44,027	18,866	.....	21,744	3,552	34,808	41,838	371	.....	14,182	2,212	4,757	628
Glens Falls Ind.	613,663	202,840	152,538	46,121	105,125	28,504	186,377	75,716	64,216	11,609	12,825	4,037	20,708	1,800	47,603	22,842
Globe Ind.	1,366,980	581,109	433,434	146,775	135,961	41,996	443,273	217,977	90,627	79,657	15,627	5,215	43,959	21,233	131,571	59,062
Great Amer. Ind.	539,866	219,767	150,334	57,327	85,072	25,523	168,499	93,031	49,913	17,641	8,487	4,212	15,659	1,735	48,217	18,782
Guarantee of N. A.	10,954	.....	.....	.....	.....	.....	.....	.....	10,954	.....	.....	.....	.....	.....	.....	.....
Hardware Ind.	23,157	2,128	11,591	7,000	.....	75	.....	.....	.....	.....	425	77	38	.....	4,229	1,124
Hardware Mut. Cas.	494,099	174,246	223,446	54,277	21,264	6,038	164,673	80,261	.....	.....	5,672	2,654	.....	139	79,055	30,887
Harleysville Mut. Cas.	120,181	52,288	93,095	40,686	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	27,039	11,602
Harford Acc.	2,287,710	927,978	544,282	188,242	347,401	88,358	764,498	453,565	186,066	76,367	31,731	12,228	78,579	16,063	176,498	69,123
Home Indem.	190,311	54,911	100,883	29,386	31,618	4,241	.....	.....	13,603	3,921	4,151	2,062	12,618	2,194	27,492	13,107
Indem. of N. A.	1,230,150	384,174	377,910	127,329	216,726	53,604	241,029	115,937	156,355	10,293	16,278	7,744	67,299	9,169	115,918	45,840
Interboro Mut.	191,689	67,072	74,683	12,652	9,709	906	80,953	44,748	.....	.....	.....	.....	.....	.....	26,344	8,766
International Fid.	104,710	12,807	.....	.....	.....</											

## Other Casualty Business in New Jersey

(CONT'D FROM PRECEDING PAGE)

## ACCIDENT &amp; HEALTH &amp; NON-CANC.

	Premia	Losses
Acci. & Cas. ....	1,716	465
Aetna Cas. ....	510	.....
Aetna Life ....	448,025	219,515
American Life ....	19,724	5,880
American Empl. ....	3,117	347
American Mut. ....	7,045	246
Amer. Mut. Liability ....	866	51
Amer. Policyholders ....	46	.....
Amer. Re-Ins. ....	195	66
Bankers Indem. ....	15,547	5,514
Ben. Assn. Ry. Empl. ....	75,136	41,942
Car & General. ....	44	15
Central Surety ....	300	20
Century Indem. ....	58,564	14,301
Columbia Cas. ....	3,360	1,954
Columb. Nat'l Life ....	3,392	3,527
Columbus Mut. Life ....	31,981	10,857
Commercial Cas. ....	445,123	109,658
Conn. Gen'l. Life ....	116,753	42,744
Cont. Assur. ....	6,938	1,811
Cont. Cas. ....	203,026	89,518
Eagle Indem. ....	8,243	2,024
Employers' Liab. ....	20,985	5,983
Employers Reins. ....	7,750	383
Equitable Society ....	422,543	94,311
European Gen'l Re. ....	79,763	29,004
Fed'l Life & Cas. ....	30,751	10,119
Fidelity & Cas. ....	78,645	35,725
Fireman's Fund Ind. ....	8,222	1,661
General Acc. ....	48,215	20,379
General Re. ....	21,412	6,869
Glens Falls Ind. ....	24,271	12,811
Globe Indem. ....	28,733	5,358
Great Am. Ind. ....	13,469	1,511
Hartford Acc. ....	58,610	24,032
Home Indem. ....	46	.....
Indem. of N. A. ....	37,010	13,660
John Hancock Mut. ....	47,123	21,228
Keystone Auto. Club Cas. ....	59	6
Liberty Mutual ....	1,900	473
London & Lanc. ....	12,800	2,545
London Guar. ....	33,188	5,593
Loyal Protec. Life ....	9,799	3,664
Lumb. Mutual Cas. ....	22,360	3,365
Manufacturers' Cas. ....	1,451	.....
Maryland Cas. ....	39,425	6,307
Mass. Bonding ....	30,947	14,798
Mass. Indem. ....	25,731	9,355
Mass. Protective ....	172,557	81,205
Merchants Mut. Cas. ....	446	.....
Metropolitan Cas. ....	26,032	6,931
Metropolitan Life ....	1,545,864	333,010
Monarch Life ....	99,436	36,155
National Acci. & Health. ....	181,538	53,173
National Cas. ....	194,169	83,270
New Amsterdam Cas. ....	10,359	2,293
North American Acc. ....	154,346	39,751
Norwich Union Ind. ....	1,958	729
Occidental Ind. ....	1,417	.....
Ocean Accident ....	29,636	9,796
Ohio Casualty ....	682	229
Pacific Mut. Life ....	68,615	31,594
Paul Revere Life ....	44,506	15,255
Peerless Casualty ....	8,623	937
Phoenix Indem. ....	15,095	4,694
Preferred Acc. ....	12,262	1,020
Protective Indem. ....	338	.....
Prudential ....	139,136	46,621
Royal Indemnity ....	24,846	3,737
St. Paul-Merc. Ind. ....	826	1,016
Security Mut. Casualty. ....	93	.....
Security Mut. Life, N. Y. ....	57	49
Standard Acc. ....	17,910	7,796
Standard Sur. & Cas. ....	16,277	6,047
Sun Indem. ....	4,194	2,072
Superior Life H. & A. ....	47,605	15,250
Travelers ....	\$20,393	411,345
United Ben. Life ....	11,397	7,021
United Life & Acc. ....	4,273	3,343
Union Mut. Life ....	17,725	6,953
United States Cas. ....	8,408	1,363
U. S. F. & G. ....	39,127	8,803
United States Guar. ....	1,417	.....
United States Life ....	365	.....
Utica Mutual ....	364,535	113,025
Washington Nat'l ....	23,092	16,716
Zurich ....	.....	.....
Total, 1940 ....	\$6,670,585	\$2,734,684
Total, 1939 ....	5,560,069	2,283,600

## WATER DAMAGE AND SPRINKLER LEAKAGE

	Premia	Losses
Aetna Casualty ....	21,487	7,723
American Re. ....	41	.....
Commercial Cas. ....	199	52
Great American Ind. ....	216	.....
Indem. of No. Am. ....	2,075	598
Maryland Cas. ....	3,719	731
Metropolitan Cas. ....	13	.....
Ocean Accident ....	191	12
Phoenix Ind. ....	33	.....
U. S. F. & G. ....	316	20
Total, 1940 ....	28,290	9,126
Total, 1939 ....	19,187	8,847

## LIVE STOCK

Hartford Acc. ....	45	.....
Hartford Live Stock ....	3,670	350
Total, 1940 ....	3,715	350
Total, 1939 ....	3,420	4,340

## STEAM BOILER &amp; MACHINERY

Aetna Cas. ....	525	.....
American Empl. ....	2,755	.....
Am. Guar. & Liab. ....	7,709	516
American Motorists ....	1,939	391
American Re. ....	23	.....
Columbia Cas. ....	2,310	.....
Continental Cas. ....	3,431	140
Eagle Indem. ....	4,268	1,920
Employers Liab. ....	20,732	139
European Gen'l Re. ....	1,316	24
Excess ....	818	.....
Fidelity & Cas. ....	39,076	5,784
General Acc. ....	14,260	352

	Premia	Losses
General Reins. ....	10,235	.....
Globe Indem. ....	43,795	3,846
Hartford St. Boiler ....	241,080	20,922
London Guar. ....	12,577	1,489
Libmen's Mut. Cas., Ill. ....	13,850	2,860
Maryland Cas. ....	20,887	9,512
Mutual Boiler ....	68,471	7,056
Ocean Accident ....	33,635	7,682
Phoenix Indem. ....	968	4,558
Royal Indem. ....	13,656	4,233
Security Mut. Cas. ....	837	.....
Travelers Indem. ....	52,331	4,762
Total, 1940 ....	\$607,506	\$85,887
Total, 1939 ....	513,513	71,683

## CREDIT

	Premia	Losses
Am. Credit Ind. ....	76,746	28,479
Employers Reins. ....	12,916	.....
European Gen'l Re. ....	2,534	53
London Guarantee ....	19,672	1,289
Total, 1940 ....	\$111,868	\$29,821
Total, 1939 ....	81,930	32,821

## Discuss Comprehensive Forms

PITTSBURGH—F. R. Miller, Aetna Casualty, led a discussion on the comprehensive public liability and automobile policy forms at the monthly meeting of the Casualty Association of Pittsburgh.

A nominating committee was appointed to report at the next meeting.

## CASUALTY PERSONALS

Richard Y. Rowe, who was vice-president and secretary of the old American Bankers of Jacksonville, Ill., has been appointed secretary of the Illinois budgetary commission by Governor Green. He was an unsuccessful candidate for secretary of state in the Republican primaries last year, and has for years been prominently identified with the Republican organization in Illinois.

Otto Patterson, executive vice-president of American Automobile, has returned to his office after a three weeks vacation in Florida.

S. B. Black, president Liberty Mutual, has been elected a director of the American Standards Association, representing the National Association of Mutual Casualty Companies, of which he formerly was president.

E. H. Dowse, for 25 years with the New England department of Field & Cowles of Boston, managers of the Royal Indemnity, as an engineer, was given a testimonial dinner by W. C. Small, resident vice-president Royal Indemnity, and Mr. Dowse's associates in the office. Gifts were presented to

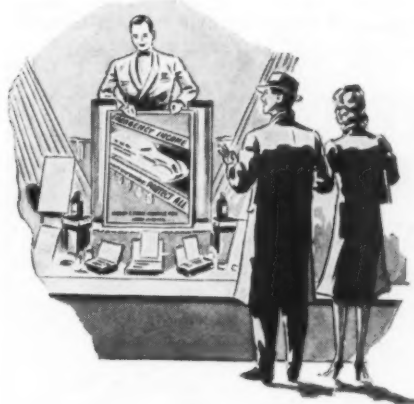
him on behalf of the company and his office associates.

E. H. Mueller, accident and health general agent of the Pacific Mutual Life and Provident Life & Accident in Milwaukee and former president of the National Accident & Health Association, is quite seriously ill and is confined in the Anglo-American Community Hospital at Havana, Cuba. He was removed from the boat on which he was taking a short vacation cruise to the hospital at Havana, suffering from a severe case of ptomaine poisoning. It is not known when his condition will permit his return to the United States. He has been in the hospital about two weeks.

Joseph A. Hoehn, resident manager of Maryland Casualty in western New York, was honored at a dinner in Buffalo marking his 25th anniversary with the company.

Mrs. George C. Moore, wife of the Indianapolis manager of the National Automobile, died there following several weeks illness. She was a sister of Dr. Albert Seaton, medical director American United Life.

## Your business health is no accident



Display Accident and Health Insurance Week posters in local windows now!

Accident Insurance with its steady renewal income is good business health insurance for any agent or broker. Plan now to capitalize on National Accident and Health Insurance Week, March 24 to 29.

To assist its representatives, Standard is making available the official Accident and Health Week sales helps, as well as the company's own advertising and sales aids.

With defense employment at a peak, 1941 provides an exceptional opportunity for the sale of this and other forms of coverage—and Standard's 1941 production program is keyed to take advantage of it.

Your business health will be no accident if you take steps to co-operate with this pioneer Casualty and Bonding company—now in a stronger position than ever to help you grow.

## STANDARD ACCIDENT INSURANCE COMPANY

Standard Service Satisfies... Since 1884



## CASUALTY PREMIUMS AND PAID LOSSES IN 1940 IN MINNESOTA

	Total Prem. Losses	Auto. Liab. Prem. Losses	Other Liab. Prem. Losses	Work. Comp. Prem. Losses	Fidelity-Surety Prem. Losses	Plate Glass Prem. Losses	Burglary-Theft Prem. Losses	Prop. D. & Coll. Prem. Losses								
Acci. & Cas.	71,507	36,486	44,314	23,693	4,041	737	4,902	2,531	82	3,311	2,516	1,496	407	12,993	6,145	
Aetna Cas.	749,982	258,133	195,628	89,939	151,020	25,372	175,456	84,638	108,205	18,522	11,401	3,439	31,339	5,419	64,932	26,342
Aetna Life	281,964	136,694	16	16	—50	195	24	6,074	—	—	—	—	—	—	20,637	4,955
Allied Mut. Auto.	49,339	6,705	21,847	699	—	—	—	—	—	—	—	—	—	—	8,191	3,084
Allstate	37,127	24,622	28,936	21,534	—	—	—	—	—	—	—	—	—	—	79,594	38,859
Amer. Auto.	361,713	139,322	282,118	100,463	—	—	—	—	—	—	—	—	—	—	8,331	3,418
Amer. Employ.	85,385	41,957	23,252	15,562	15,783	6,771	23,061	15,041	5,967	79	2,553	266	4,159	730	121,826	51,247
Amer. Farmers Mut.	251,702	102,188	97,713	44,804	—	—	—	—	—	—	—	—	—	—	2,791	2,643
Amer. Fld. & Cas.	14,794	5,932	12,003	3,288	—	—	—	—	—	—	—	—	—	—	—	—
Amer. Guar. & Liab.	148	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Amer. Motorists	126,423	44,965	6,199	13,510	8,118	31	107,771	27,137	401	—	—	—	41	—	3,502	4,243
Amer. Mut. Liab.	356,698	167,804	32,870	12,140	19,907	4,724	285,702	139,750	796	416	191	182	—	—	17,019	10,771
Amer. Surety	123,913	19,079	9,835	8,558	5,736	1,524	7,520	5,901	90,777	1,146	287	538	6,140	52	3,613	1,058
Anchor Cas.	1,261,421	559,475	339,120	179,433	41,538	4,972	510,819	209,415	—	—	9,301	4,637	2,332	40	235,021	116,068
Arex Indem.	776	—	152	—	402	—	16	—	—	—	—	—	90	—	30	—
Assoc. Indem.	19,448	4,595	2,389	247	1,746	200	11,192	2,466	10	—	1,524	1,206	511	—	2,076	475
Bankers Indem.	3,244	4,432	2,012	3,926	63	—	270	70	—	—	—	—	238	—	736	435
Bituminous Cas.	214,376	85,660	—	—	14,382	1,521	198,041	83,890	—	—	—	—	—	—	1,952	—
Car & General	69,003	25,391	46,829	15,823	1,141	94	1,627	785	—	—	2,420	502	1,094	204	15,977	7,978
Cas. Indem.	3,662	216	—	—	3,662	216	—	—	—	—	—	—	—	—	—	—
Cas. Reciprocal	88,656	57,099	54,467	34,491	403	—	14,394	12,255	—	—	—	—	—	—	19,199	10,352
Central Sur.	21,201	5,415	8,309	2,038	1,321	75	2,846	1,332	2,679	—	2,068	634	998	88	2,892	1,245
Century Indem.	16,845	2,048	1,637	25	3,068	432	2,341	578	3,930	—	1,763	645	1,843	—	568	61
Columbia Cas.	11,741	1,782	1,002	379	1,002	780	2,112	827	5,897	—	5,964	1,409	259	—	99	—
Commercial Cas.	82,179	49,610	17,699	14,914	3,658	2,419	478	2,320	2,696	—	4,289	2,974	1,300	356	3,869	2,830
Conn. Indem.	15,984	6,012	11,640	4,066	159	—	—	—	—	—	51	14	272	—	3,860	1,932
Consolidated Undrs.	17,750	14,970	9,627	9,253	4	20	2,528	2,442	—	—	—	—	—	—	4,038	2,833
Continental Cas.	394,174	137,379	83,459	34,772	26,333	4,715	47,467	19,813	21,914	6,171	1,218	1,574	413	336	24,316	7,031
Dearborn Natl. Cas.	99,489	49,179	45,474	28,041	15,522	722	—	—	—	—	5,964	1,409	2,025	167	30,512	12,347
Eagle Indem.	27,830	9,649	9,008	1,029	3,279	2,783	7,601	2,474	1,214	602	623	138	1,557	—	3,199	1,591
Empoy. Liab.	226,697	107,401	35,633	22,645	47,613	10,345	92,145	60,149	8,777	4,919	2,421	769	10,907	1,211	13,453	5,157
Empoy. Mut. Cas.	285,570	169,208	129,312	89,874	10,320	2,534	74,068	33,690	—	—	—	—	—	—	70,911	42,238
Empoy. Mut. Liab.	2,017,563	935,172	178,079	97,385	134,143	20,679	1,593,036	767,679	—	—	1,827	1,058	235	—	109,416	48,777
Empoy. Reins.	131,877	29,137	105,688	22,939	11,044	—	2,143	1,291	11,362	—	1,827	1,058	235	—	—	—
Equity Mut.	20,618	10,044	5,588	609	362	2	12,838	8,572	—	—	12	29	—	—	1,815	759
Excess	15,500	2,139	447	—	754	—	3,994	2,127	9,296	1	—	—	1,010	11	—	—
Factory Mut. Liab.	9,839	1,597	7,003	35	—	—	—	—	—	—	—	—	15	—	2,820	1,561
Farm. Au. Int. Ins.	267,530	170,042	174,732	86,838	—	—	—	—	—	—	—	—	—	—	141,319	66,395
Farm. Bu. Mut. Au.	39,383	9,073	39,380	8,649	—	—	—	—	—	—	—	—	—	—	—	—
Farmers Mut. Auto.	229,998	103,060	122,596	60,266	—	—	—	—	—	—	—	—	—	—	76,328	36,351
Fidelity & Cas.	648,965	232,182	101,235	54,362	159,519	37,092	188,687	96,957	68,798	—	2,655	8,650	2,201	22,657	29,813	14,243
Fidelity & Deposit.	82,130	99,365	—	—	—	—	—	—	76,020	—	94,250	776	405	—	4,708	—
Fireman's Fund Ind.	15,999	14,895	6,760	12,265	1,286	535	2,264	377	1,325	—	128	53	539	834	2,398	1,273
General Acci.	173,912	55,703	50,100	10,651	22,690	3,535	47,705	25,095	—	—	6,385	1,610	9,058	1,082	15,892	8,600
General Cas. Wash.	4,155	300	625	35	1,226	75	—	—	—	—	294	29	667	15	614	145
General Cas. Wis.	26,340	11,164	15,924	6,057	—	—	—	—	—	—	—	—	—	—	8,394	4,502
General Reins.	229,938	74,240	85,561	58,159	16,176	—	13,461	3,870	78,503	10,777	624	—	9,378	239	2,660	—
General Trans. Cas.	35,952	10,816	23,836	7,063	—	—	3,184	1,464	—	—	—	—	—	—	8,930	2,289
Glens Falls Indem.	85,864	28,176	16,632	6,791	16,176	6,871	21,488	8,342	13,383	1,067	2,649	1,341	5,473	242	5,967	2,672
Globe Indem.	162,639	71,361	30,421	27,937	28,360	5,534	61,103	30,420	9,640	—	1,465	796	7,470	1,183	11,204	4,902
Great Amer. Indem.	57,129	5,643	8,943	570	10,310	2,601	15,619	1,744	14,618	—	1,393	210	2,348	69	3,209	983
Guar. of N. Amer.	2,902	4,911	—	—	—	—	—	—	2,903	4,911	—	—	—	—	—	—
Hdwe. Indem.	141,983	23,880	72,617	7,114	29,622	2,877	2,000	336	—	—	3,716	1,220	4,767	598	29,258	11,732
Hdwe. M. Cas. Wis.	932,619	445,697	348,762	183,316	45,271	9,449	350,242	170,963	—	—	10,071	4,231	13,330	870	164,940	75,224
Hartford Acci.	679,485	237,990	144,661	62,682	79,411	13,707	198,431	95,399	132,254	25,069	5,646	2,868	29,660	3,171	67,411	19,643
Hawkeye Cas.	21,785	4,299	14,390	1,903	104	—	—	—	—	—	—	—	32	—	6,282	2,336
Home Indem.	20,422	9,750	13,202	6,190	789	950	—	—	557	—	892	532	1,039	182	3,937	1,775
Indem. of No. Amer.	155,186	44,548	27,162	2,830	32,805	4,236	43,120	23,692	13,371	1,930	2,713	1,030	10,237	1,647	12,018	3,621
Inland Bonding	489	6,740	—	—	—	—	—	—	489	6,740	—	—	—	—	—	—
Iowa Mut. Liab.	356,052	187,982	157,556	92,032	9,431	1,012	122	—	—	—	—	—	—	—	120,416	68,186
Liberty Mut. Mass.	481,314	260,118	42,726	16,388	60,160	19,342	347,462	218,059	14,571	—	1,365	570	1,638	189	14,008	7,311
London Guar.	145,591	75,071	30,621	14,265	20,095	10,083	62,725	42,394	8	—	8,786	1,675	5,249	833	9,734	4,877
London & Lanc.	82,195	20,562	7,064	2,497	12,546	3,987	16,449	5,061	30,478	5,053	2,063	490	7,120	1,994	2,623	693
Lmbm. Mut. Cas. Ill.	193,230	68,437	60,769	20,485	15,836	3,348	84,423	32,611	1,499	—	2,650	545	1,166	366	25,337	10,399
Mfrs. & Whls. Indem.	919	6	482	—	—	—	—	—	—	—	—	—	—	—	262	6
Maryland Cas.	292,651	97,174	52,138	16,621	24,904	7,784	84,279	50,031	48,949	3,626	5,054	1,689	19,936	1,526	18,087	7,730
Mass. Bonding	89,658	26,778	9,116	4,214	9,653	2,649	13,744	3,839	11,809	—	971	285	1,965	322	3,076	1,307
Medical Protect.	28,945	8,818	—	—	28,945	8,818	—	—	—	—	—	—	—	—	—	—
Merch. & F. M. Cas.	71,141	24,214	31,384	8,667	—	—	—	—	—	—	—	—	—	—	26,882	11,898
Metropolitan Cas.	59,753	35,431	15,346	7,953	5,162	780	508	2,323	3,037	1,337	3,383	1,131	696	—	1,997	1,568
Milwaukee Auto.	97,374	53,418	57,484	35,256	—	—	—	—	—	—	—	—	—	—	26,452	13,561
Minneapolis Lloyds	979,502	445,129	449,454	206,872	761	176	—	—	—	—	—	—	—	—	345,902	176,496
Minn. Farm. M. Cas.	74,620	43,304	22,664	17,807	—	—	—	—	—	—	—	—	—	—	31,925	17,048
Mut. Cream. Liab.	69,847	9,721	—	—	2,053	336	65,325	9,363	—	—	—	—	—	—	193	22
Natl. Auto. Own. Int.	141,715	109,553	80,399	88,602	3,851	1,387	1,185	1,079	—	—	—	—	—	—	50,700	19,804
Natl. Cas.	90,147	51,995	906	—	—	—	—	—	622	424	59	23	287	9	216	97
Natl. Farm. Mut.	12,911	8,472	—	—	—	—	—	—	—	—	4,441	2,033	—	—	—	—
Natl. Surety	270,724	56,121	—	—	—											

## Other Casualty Business in Minnesota

(CONTD FROM PRECEDING PAGE)

## ACCIDENT AND HEALTH

	Premiums	Losses
Accl. & Cas.	363	454
Acme Hospital & Life	18,448	22,451
Aetna Cas.	481	47
Aetna Life	281,972	129,422
Amer. Employ.	885	84
Amer. Motorists	381	42
Amer. Mut. Liab.	25	...
Anchor Cas.	12,917	7,602
Bankers Indem.	21	...
Ben. Ry. Employ.	317,093	165,289
Bus. Men's Assur.	13,708	28,440
Central Surety	84	...
Century Indem.	990	313
Columbia Cas.	769	3,025
Columbus Mut.	8,352	2,257
Commercial Cas.	48,129	23,750
Conn. Gen.	52,020	23,116
Continental Assur.	2,468	55
Continental Cas.	183,468	62,961
Eagle Indem.	876	86
Employ. Liab.	7,193	2,172
Employ. Mut. Ben.	43,286	17,421
Employ. Mut. Cas.	32	...
Employ. Reins.	2,955	2,955
Equit. Life	267,025	291,272
Federal L. & C.	14,203	3,995
Fidelity & Cas.	31,937	11,672
Fireman's Fund Ind.	1,293	103
General Accl.	19,982	4,945
General Reins.	5,846	1,044
Glens Falls Indem.	4,102	945
Globe Indem.	4,029	609
Great Amer. Indem.	785	25
Great Northern Life	96,200	48,170
Group Health Mut.	46,088	26,640
Hardware Mut. Cas.	...	1,640
Hartford Accl.	31,276	15,446
Ill. Mut. Cas.	8,146	3,133
Indem. No. Amer.	13,166	5,306
Inter-Ocean Cas.	5,230	2,100
Inter-St. Bus. Men's Accl.	41,520	19,708
Iowa Mut. Liab.	164	...
John Hancock M. L.	7,776	5,947
Liberty Mut., Mass.	255	...
London & Lanc.	3,847	781
London Guar.	2,144	858
Loyal Protect.	23,446	7,667
Lumberm. Mut. Cas.	1,283	57
Maryland Cas.	21,305	6,656
Mass. Bonding	39,310	15,729
Mass. Protect.	159,048	28,527
Metropolitan Cas.	29,618	20,336
Metropolitan Life	244,416	117,428
Monarch Life	142,561	73,235
National Cas.	85,481	46,473
National Travelers	711	172
New Amsterdam	2,979	582
No. Amer. Accl.	76,101	25,695
No. Amer. L. & Cas.	325,004	126,345
Northern Life	3,944	881
Norwich Un. Indem.	4,629	1,012
Occidental Indem.	546	5
Occidental Life	5,395	6,192
Ocean Accl.	6,689	6,169
Ohio Cas.	400	...
Ohio State Life	37,949	24,996
Old Line Life	46,440	17,732
Paul Revere Life	56,032	18,956
Pennsylvania Cas.	8	...
Phoenix Indem.	8,578	3,722
Preferred Accl.	9,572	5,501
Prog. Mut. Assur.	42,313	17,345
Protective Indem.	193	55
Prov. Life & Accl.	120,435	56,564
Prudential	57,271	23,256
Reliance Life	11,265	3,240
Royal Indem.	3,007	301
St. Paul Merc. Indem.	3,386	154
Security Mut. Life	762	13
Security Mut. Cas.	...	154
Standard Accl.	26,841	8,378
Standard Sur. & Cas.	476	...
State Farm Life	4,866	2,622
Sun Indem.	2,607	974
Travelers	392,331	207,474
United Benefit Life	20,864	4,842
U. S. Cas.	549	2,459
U. S. F. & G.	20,775	9,295
U. S. Guar.	710	2
Washington Natl.	293,302	165,209
Western Cas. & Sur.	635	362
Wisc. Natl.	13,540	4,711
Woodmen Accl.	123,258	68,947
Woodmen Cent. Health	17,164	9,532
Zurich	19,715	9,738
Total, 1940	\$4,242,949	\$2,156,665
Total, 1939	3,684,690	1,760,055

## STEAM BOILER, ENGINE &amp; MACHINERY

	Premiums	Losses
Aetna Cas.	4,813	130
Amer. Employ.	1,487	...
Amer. Guarantee	138	...
Arex Indem.	84	...
Columbia Cas.	1,250	...
Continental Cas.	552	...
Eagle Indem.	268	...
Employers Liab.	8,548	28
Employers Reins.	2,467	118
Fidelity & Cas.	37,664	4,202
General Accl.	2,096	...
General Reins.	8,722	149
Globe Indem.	8,940	700
Hartford St. B.	96,438	3,968
London Guar.	4,412	80
Lumberm. Mut. Cas.	261	624
Maryland Cas.	17,404	1,328
Mutual Boiler	4,977	...
Ocean Accl.	16,946	383
Phoenix Indem.	1,767	...
Royal Indem.	2,714	157
Standard Accl.	7,654	...
Travelers Indem.	59,443	4,137
Total, 1940	\$289,045	\$16,597
Total, 1939	166,487	12,644

## LIVE STOCK

	Premiums	Losses
Hartford Live Stock	6,654	4,408
National Farm Mut.	8,140	6,018
Total, 1940	14,794	10,426
Total, 1939	21,130	13,353

## SPRINKLER LEAKAGE &amp; WATER DAMAGE

	Premiums	Losses
Aetna Cas.	6,702	4,297
Commercial Cas.	56	44
Indem. No. Amer.	590	249
Maryland Cas.	587	177
Phoenix Indem.	133	...
U. S. F. & G.	395	788
Total, 1940	8,463	5,555
Total, 1939	7,973	5,377

## CREDIT

	Premiums	Losses
Amer. Credit Indem.	26,688	2,049
London Guar.	1,571	...
Total, 1940	28,259	2,049
Total, 1939	30,951	4,799

## CHANGES

## Metcalf to Cover Kansas for Massachusetts Bonding

Ralph H. Metcalf has assumed supervision of the Massachusetts Bonding's agencies in Kansas and a portion of Greater Kansas City, being associated with the Kansas City branch under Manager F. G. Packwood.



R. H. Metcalf

Mr. Metcalf is a native Kansan and a graduate of Kansas University. He was formerly with the Travelers. Prior to that he was an executive officer in two Kansas City business concerns.

Mr. Metcalf succeeds T. J. Randel, who is now affiliated with Parsons-Hohl Agency, Kansas City, which represents the Massachusetts Bonding.

## Durling and Clapp Promoted by Standard Accident

John M. Durling, for several years associate manager of the New Jersey branch office of Standard Accident at Newark, has been named manager there. Donald W. Clapp, who has been office manager, has been named assistant manager.

Mr. Durling joined the company as an inspector in 1921. In 1929 he became a special agent of the accident and health department working out of the Newark branch. In 1930 he was made a supervising special agent. In 1931 he was appointed assistant branch manager, and in 1938 was made associate manager with Francis A. Hackett. Mr. Hackett was recently made manager of the Indianapolis branch.

Mr. Clapp, a graduate of Drake University, Des Moines, entered insurance business in 1923 at the home office of Southern Surety, then at Des Moines. He joined Standard Accident in 1928, serving at the Detroit branch office successively as underwriter, special agent and office manager. He was transferred to the New Jersey branch in 1936 and has served since as office manager and chief underwriter.

## Conn. Indemnity Increases Staff

S. H. Swart, formerly New York city superintendent of the liability claim department of Aetna Casualty, has joined the home office staff of Connecticut Indemnity at New Haven, as superintendent of the liability claim department. Mr. Swart attended the University of Virginia and previously worked for the U. S. F. & G. in Kentucky and Fidelity & Casualty in western New York. Joseph Hayes, formerly an adjuster

★Fidelity, Surety and Forgery Bonds★Fidelity, Surety and Forgery Bonds★

Fidelity, Surety and Forgery Bonds★Fidelity, Surety and Forgery Bonds★



FIDELITY, SURETY AND FORGERY BONDS

SEABOARD SURETY CO.

80 JOHN ST., NEW YORK

C. W. FRENCH, President WHitehall 3-1484

★Fidelity, Surety and Forgery Bonds★Fidelity, Surety and Forgery Bonds★



INSURORS INDEMITY &amp; INSURANCE CO.



TULSA, OKLAHOMA

Shelby H. Green, Executive Vice President

Financial Statement December 31st, 1940

## ASSETS

Cash in Banks	\$309,062.99
Bonds (Amortized)	
Government	\$306,087.49
Other	118,979.70
Stocks (Market)	105,000.00
Premiums in Course of Collection	75,749.45
Accrued Interest and Other Assets	991.82
Total	\$915,871.45

## LIABILITIES

Reserve for Unearned Premiums	\$111,276.33
Reserve for Losses	206,579.09
Reserve for Tax & Other Liability	55,752.58
Voluntary Contingent Reserve	42,263.45
Capital Stock	250,000.00
Surplus	250,000.00
Surplus to Policyholders	500,000.00
Total	\$915,871.45

Responsible Agents Wanted in Unassigned Territories



at New Haven for Lumbermen's Mutual Casualty, has joined Connecticut Indemnity as investigator and adjuster for Connecticut with headquarters at New Haven.

W. T. Cotter has joined the Pacific Coast department of Connecticut Indemnity as claim manager. He is a graduate of the University of Washington and University of California.

### Roesing Auto Underwriting Head Continental Casualty

F. M. Roesing, Jr., has been advanced to manager of the automobile underwriting department at the head office of Continental Casualty. Mr. Roesing's entire insurance experience has been with Continental Casualty. He has been with the company 14 years in the underwriting department. Charles Vursell has been

appointed assistant manager of the department.

Last year the automobile premiums of Continental Casualty totaled more than \$7,000,000.

### Schermerhorn Chicago Manager

William O. Schermerhorn has been appointed manager of the Chicago branch office of the Excess. He succeeds Frank D. Mahony, who resigned. Mr. Schermerhorn formerly was assistant secretary in the executive offices of Excess in New York and has been connected with the company at the home office for five years.

### Get St. Paul-Mercury in Newark

The St. Paul-Mercury Indemnity has appointed Russell E. Stevens & Co., Newark, as sole general agents for Essex county.

local police forces. This great addition of workers has created hazards not only in the shops because of unskilled labor and congestion, but also on the grounds and streets and highways adjacent.

### Massachusetts Fund Bill Referred to High Court

BOSTON—Opponents of the bill creating a monopolistic compensation fund secured passage in the house of a resolution referring the proposed measure to the state supreme court for its opinion on its constitutionality. Several years ago the court held a proposed automobile liability insurance monopolistic fund unconstitutional.

The Massachusetts Federation of Labor is backing an initiative and referendum state compensation fund bill which if rejected by the legislature, would go on the ballot in 1942 for public vote, if 5000 signatures are secured in addition to the 24,000 now on the original petition.

By a close vote the house was able to refer the measure to the supreme court on both the form of the petition and the question of the compulsory feature.

### Golling Appointment Confirmed

ST. PAUL—R. A. Golling, appointed secretary of the Minnesota compensation insurance board a year ago, has been confirmed by the senate. There has been, however, a fight on two members of the industrial commission who are up for confirmation. The compensation committee of the senate has approved confirmation of J. D. Williams of Minneapolis but action on the other member, P. J. O'Connor, St. Paul, has been held up for further hearing.

### Big Products Case on Trial

Where products liability insurance comes into play is well illustrated in the \$200,000 suit against the Bowman Dairy Company. Fred J. Welter, a landscape gardener at Evanston, Ill., is the plaintiff. He charges that his 2½-months-old daughter was made ill by drinking milk delivered by the Bowman people. The case is now on trial. The doctor sent to the Welter home by the dairy company testified that after examining the child he was unable to determine the cause of her illness. A number of physicians were called as witnesses.

### Remains on Colorado Commission

DENVER—A. H. King, Sterling was reappointed for a term of six years on the industrial commission by Governor Carr. He was appointed two years ago to fill an unexpired term.

### L. J. Bradshaw Speakers Head

L. J. Bradshaw, Jr., of the Milwaukee branch of Fidelity & Casualty, was elected president of the Milwaukee Speakers Forum. Mr. Bradshaw was opposed by Leonard Pfeffner of the Milwaukee office of New York Life.

## Educational Series by Aetna Casualty

Beginning March 24, Aetna Casualty will hold its annual series of agency meetings in key cities throughout the country. Meetings will be held in 35 cities this year, as against 24 last year, and it is expected that the number of Aetna agents attending these educational conferences will be almost double the 1940 figure.

Home office men who will speak at the meetings are: Vice-President C. G. Hallowell, Agency Secretary Edward C. Knapp, Field Supervisors Lemuel B. Fowler, Amos E. Redding, Francis W. Potter, Rudolph C. Larson, Austin D. Bryan, Clyde C. Bidwell, G. Morris O'Brien and Home Office Representative William W. Ellis.

The meetings scheduled are as follows:

Richmond, March 24; Greensboro, March 26; Los Angeles, March 26; Jacksonville, March 28; Atlanta, March 31; San Francisco, April 1; New Orleans, April 2; Dallas, April 4; Portland, April 7; Seattle, April 9; Milwaukee, April 14; Duluth, April 14; Chicago, April 15; Minneapolis-St. Paul, April 16; Cleveland, April 17; Pittsburgh, April 18; Des Moines, April 18; Harrisburg, April 21; Kansas City, April 21; Reading, April 22; St. Louis, April 23; Philadelphia, April 24; Newark, April 25; Indianapolis, April 25; Bridgeport, April 28; Grand Rapids, April 28; Providence, April 30; Detroit, April 30; Hartford, May 1; Buffalo, May 2; Rochester, May 5; Springfield, May 6; Syracuse, May 6; Boston, May 8; Albany, May 8.

### Insurance Officer Bond Rates in Iowa Doubled

DES MOINES—Rates on fidelity bonds for insurance company officers have been raised in Iowa 100 percent with an increase of 30 to 60 cents per \$1,000. The increase, made by the Towner Rating Bureau, resulted from a ruling by the insurance department that bonds required to be filed with the department by mutual companies must be on a cumulative basis. The action also affected stock company officer bonds although they are not required by statute to be filed with the department.

In Iowa the secretary and treasurer of mutual companies are required to file a \$10,000 bond.

The increase in rates is said to be a result of several high losses suffered in Iowa during recent years. In a recent loss the surety company involved paid only \$15,000 on a \$140,000 loss because the bond was not cumulative.

R. G. Waters, president of United Employers Casualty, and Mrs. Waters were injured when they were hit by an automobile when crossing a street in Houston. Mr. Waters suffered a broken shoulder and was confined to a hospital. Mrs. Waters was severely bruised.

## FIDELITY AND SURETY

### Southern California Cost Conference Holds Election

LOS ANGELES—The southern California fidelity and surety acquisition cost conference at its annual meeting, with Chairman Rollo E. Fay presiding, elected on the governing committee Hugo Methmann, Fireman's Fund Indemnity, chairman pro tem of the conference; W. M. Walker, Fidelity & Deposit; R. L. Villars, Continental Casualty; W. R. Whitford, Hartford Accident, and W. G. McKinnon, Great American Indemnity.

Chairman Fay in his annual report said that in the past year no member was found in violation of the rules and, so far as is known, there are no existing undiscovered violations on the part of members in good standing.

The question of commissions on co-surety bonds where a non-conference company is one of the co-sureties has been considered. The northern California committee thought it had the solution at one time but the proposed rule was found to be defective in certain respects, so the problem is carried over for further consideration by the incoming governing committee.

### Schmahl Wants to Pick Aids

ST. PAUL—The \$400,000 surety bond which State Treasurer Julius Schmahl of Minnesota, who is board chairman of Modern Life, must provide is cited by him as a reason why the new Minnesota civil service law should not apply to his office. He demands the right to pick his own assistants, inasmuch as he and his bondsman are responsible for millions of dollars belonging to the state. The civil service department ordered Schmahl to reinstate an employee he dismissed and the treasurer balked.

### Act Against Liquor Bonds

LANSING, MICH.—Representatives Nichols and Green offered a resolution in the Michigan house demanding an investigation of the practices of surety companies with relation to liquor bonds.

The resolution contends that the law relating to liquor bonds "is drafted in such a manner as to make it practically impossible for the people at large to collect for damages even though injuries may be sustained at the hands of an intoxicated person."

### New Surety Rates in Virginia

RICHMOND, VA.—Approval of revised fidelity and surety rates filed by the Towner Rating Bureau, Seaboard Surety and Liberty Mutual has been given by the corporation commission.

At a luncheon meeting of the Surety Association of Minnesota in Minneapolis, officers were nominated, the election to be at a later date.

### Quartermaster's Policy on Competitive Bidding

Those who are following the complex situation involving defense work from the surety standpoint say that the quartermaster department of the army is now pursuing the policy very largely of inviting selected firms to submit bids and is requiring performance bonds. This is being done in lieu of negotiating contracts on the cost plus a fixed fee basis and also in lieu of uncontrolled competitive bidding. The practice is comparable to that which is followed in connection with private construction work.

### Discuss Protective Bond

DETROIT—The new owner's protective bond, recently brought out by the Surety Association of America to enable architects to protect clients against unpredictable hazards, was discussed by the Surety Association of Michigan. President J. S. Fenwick, assistant manager U. S. F. & G., presided. It was pointed out that the new form should do much to build good will for the surety companies with the architects.

### Chicago Surety Party March 20

The Surety Association of Chicago will have a dinner and social evening at the Palmer House, March 20. There will be a gathering for cocktails beforehand and the evening will be devoted to fellowship. Julian Neale, Fidelity & Deposit, is president.

## COMPENSATION

### Expansion of Industry Adds New Compensation Risks

SAN FRANCISCO—The California Inspection Rating Bureau reports that in the past few months it has received an average of more than 2,000 new risks filed by the 75 companies writing workmen's compensation insurance in the state. These are considered as new employers who have never purchased or been compelled to purchase workmen's compensation insurance. As the coverage is mandatory in California, these new risks indicate the tremendous expansion of industry, probably as a result of the national defense program.

Compensation men believe 1941 probably will develop the largest volume of compensation premiums since the law was enacted in 1915. The huge increase in payrolls in aircraft and other defense industries will produce most of the income. However, overcrowding of plants and shops has created a tremendous problem for the companies, employers and, in small communities, the

**Opportunity for a General Insurance Agency in Chicago to take over a Life General Agency for an old and well established New England Company, which has been operating in Chicago for a number of years. Good volume of business now in force in Chicago.**

**All inquiries handled in the strictest confidence.**

**Address M-98, The National Underwriter, 175 West Jackson Boulevard, Chicago, Illinois.**

## NEWS OF THE CASUALTY COMPANIES

### Approve Sale of New Shares of Continental Casualty at \$25, If Market Suitable

Stockholders of Continental Casualty have approved the recommendation of directors to sell 100,000 new shares prior to Feb. 4, 1942, at a price of \$25 a share. Being of \$5 par value, the transaction would result in an increase in capital from \$2,000,000 to \$2,500,000 and an increase in net surplus of \$2,000,000.

The directors empowered the officers to file with the Securities & Exchange Commission a registration statement and prospectus. When the registration statement becomes effective, present shareholders will be given the right to purchase new stock at \$25 per share with a ratio of one share for each four held. The entire issue would be taken by underwriters under a contract for the purchase at \$25 per share of any stock not taken by shareholders or warrant holders.

Chairman H. A. Behrens in a message to stockholders emphasized that consummation of the negotiations must be subject to market conditions. Before the program can be carried into effect it is possible that developments may occur which will necessitate deferring the program or discarding it entirely.

On March 10, when the stockholders took this action, Continental Casualty was listed in the over-the-counter market at 32½ bid and 34¼ asked. Assuming that there was a sound market of 33, the rights would be worth about 2½ a share.

### Aetna Casualty Managers in Session on Gulf Coast

Branch managers and agency supervisors from Aetna Casualty offices throughout the country are gathered at Edgewater Park, Miss., this week for their annual five-day conference with home office executives. The meetings started Monday and continue through Friday. One of the interesting features of these gatherings is the afternoon at which the managers are invited to state their views with the utmost frankness, enter complaints and have their say, with the understanding that nothing will be held against them.

### National Lloyds of Md. Must Improve Condition

Steps have been taken to improve the financial setup of National Lloyds of Baltimore following a convention examination by Maryland and Kentucky. According to the report, the deposits of the general underwriters have a book value of \$309,161 but because of operating losses and accounting changes made by the examiners the surplus is \$150,186. Examiners state that an immediate demand must be made upon the general underwriters to liquidate their accumulated losses in cash. Otherwise, it will

become necessary to foreclose on their security deposits.

According to General Manager Kirk A. Landon, a demand has been made on the underwriters to pay their net underwriting deficit amounting to \$82,160. Already, he states, \$30,206 has been received. The surplus to policyholders has also been increased to the extent of \$14,000 through the addition of 14 underwriting units.

### Lumbermen's Mutual Cas. Reaches New High Points

Maintaining an uninterrupted record of growth since 1912, Lumbermen's Mutual Casualty reports new all-time highs for 1940 in premium income, assets, surplus, and dividends to policyholders.

Net premiums written were \$29,346,513, a gain of \$1,788,207.

Assets reached a new high of \$41,382,728, an increase of \$3,309,501. Net surplus was \$5,500,000, up \$237,560. The voluntary reserve for contingencies remains at \$1,000,000 and \$271,872 was added to voluntary reserve for unassigned funds. The special reserve and the contingency reserve would be sufficient to adjust all stocks to the 1932 lows.

Dividends to policyholders were \$5,090,566, an increase of \$308,839.

Cash amounts to \$14,159,191. Cash and short-term government bond holdings exceed \$28,000,000, or more than 69 percent of total assets.

In 1940 the third consecutive year, Lumbermen's held first place among all companies in volume of automobile casualty insurance. The 1940 automobile casualty premiums of \$16,829,867 was an increase of \$509,343.

Compensation premiums reached a new high of \$8,906,136, increase \$608,157. The health and accident department made the largest percentage increase with a gain of 118 percent. The fidelity department was second with an increase of 77 percent and boiler and machinery was third with an increase of 28 percent.

### Ill. Casualty New Statement

Illinois Casualty of Springfield has issued its first statement since being under the ownership of the George Olmsted group of Des Moines. Its assets are \$707,668 as compared with \$641,330 the previous year. Premium reserve is \$201,673, an increase of better than \$20,000 and the loss reserve is \$163,090, a gain of about \$38,000. Capital is \$200,000 and net surplus \$112,296.

### Go-ahead for K. C. Casualty

Kansas City Casualty recently organized with T. W. Garrett, Jr., of Garrett, Inc., as president, has received from the Missouri security commission a permit to sell stock and to exchange stock of Mid-America Casualty of Des Moines for that of the newly organized company.

### New Company Capital \$100,000

Commercial Indemnity of Indianapolis, which has just completed organization, has paid-in capital of \$100,000 and net surplus of \$71,000. It will confine its operations to automobile and will write full cover.

American Farm Mut. Auto. Minn.—Assets, \$236,283; inc., \$59,020; unearned prem., \$64,468; loss res., \$14,950; liab. res., \$69,750; guaranty fund, \$2,620; surplus, \$71,981; inc., \$19,997. Experience:

	Net Pmts.	Losses Pd.
Auto liability .....	\$ 97,713	\$ 44,805
Comprehensive .....	13,349	2,475
Fire and theft .....	18,140	3,661
Auto prop. damage .....	54,821	15,582
Auto collision .....	67,005	35,666
Miscellaneous .....	673	.....
Total .....	\$ 251,702	\$ 102,189

Alliance Mutual Cas., Kan.—Assets, \$185,896; inc., \$38,263; unearned prem.,



HEAR YE!  
HEAR YE!  
HEAR YE!

No. 21941

TITIVS vs WARY et al

"We the jury, find the defendant, O. B. Wary, owner of the Semaphore Tavern, and A. M. Biguous, owner of the building, 'Guilty,' and assess the plaintiff's damages in the sum of \$12,500 and costs."

### THE ILLINOIS DRAM SHOP ACT

MAY BE THE CAUSE OF

FINANCIAL RUIN

TO EVERY TAVERN KEEPER

AND THE OWNER OF EVERY BUILDING IN WHICH LIQUOR IS SERVED, WHETHER IT BE TAVERN, CLUB OR RESTAURANT.

THE ONLY PROTECTION IS INSURANCE

FOR PARTICULARS

**A. F. SHAW & CO., Inc.**

CHICAGO, 175 W. Jackson Blvd.

Phone, WABASH 1068

If You Want to  
Improve Your  
Automobile and  
Casualty Facilities—

A POST CARD WILL BRING YOU  
FULL INFORMATION ABOUT OUR  
DESIRABLE AGENCY CONTRACT

**UTILITIES INSURANCE COMPANY**

ST. LOUIS, MO.

Direct contracts available for conservative and successful agents in Illinois, Indiana, Iowa, Missouri, Ohio, Nebraska, Colorado, Oklahoma, Kansas, Tennessee and Texas

### A-1 SALESMEN WANTED

Leading Chicago automobile insurance organization needs two more live wire closers to handle increasing business. Must have car. Good salary plus commission. Permanent job with excellent future. No traveling. Insurance or other consumer sales experience preferred. Address N-3, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

Subscribe to the Accident & Health Review now and get the annual 64 page Survey Edition free. Use the handy card in this issue.



\$73,470; loss res., \$9,343; liab. res., \$33,610; surplus, \$62,114; inc., \$17,766. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 3,014	.....
Auto fire, theft & tornado .....	5,906	\$ 1,564
Auto liability .....	43,186	8,958
Other liability .....	1,713	165
Comprehensive .....	24,236	11,318
Auto plate glass .....	83	58
Plate glass bldgs. ....	1,371	616
Club livestock .....	926	404
Auto prop. damage .....	19,723	8,147
Auto collision .....	26,448	10,093
Other P. D. and coll. ....	683	98
Fire & wind bldgs. ....	13,716	4,146

Total .....\$ 141,005 \$ 45,567

**American Motorists.**—Assets, \$10,010,086; inc., \$759,778; unearned prem., \$1,922,695; loss res., \$415,396; liab. res., \$2,626,418; comp. res., \$1,248,835; capital, \$750,000; surplus, \$1,444,430; inc., \$128,325. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 108,088	\$ 21,362
Health .....	53,375	15,563
Auto liability .....	3,444,864	1,501,921
Other liability .....	260,083	52,256
Workmen's comp. ....	2,161,905	782,767
Fidelity .....	27,038	355
Surety .....	15,331	.....
Plate Glass .....	18,441	7,476
Burglary and theft. ....	15,225	1,034
Steam boiler .....	—14,049	391
Engine and mach. ....	—2,725	.....
Auto prop. damage .....	979,131	422,939
Auto collision .....	111,531	133,407
Other P.D. and coll. ....	24,470	1,020

Total .....\$7,202,708 \$2,940,491

**Amer. Mut. Liab.**—Assets, \$43,314,642; inc., \$2,062,206; unearned prem., \$4,301,989; loss res., \$536,312; liab. res., \$4,212,749; comp. res., \$21,473,597; guaranty capital, \$200,000; surplus, \$6,608,717; inc., \$299,448. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 7,234	\$ 1,383
Health .....	103	.....
Automobile liability .....	3,115,941	1,542,415
Liability other than comp. ....	1,854,753	588,258
Workmen's comp. ....	17,811,621	8,998,632
Fidelity .....	186,472	48,129
Surety .....	1,748	.....
Plate glass .....	8,794	5,017
Burglary & theft .....	49,944	13,894
Steam boiler .....	5,935	.....
Machinery .....	5,471	4,270
Automobile P.D. ....	720,431	355,088
Automobile coll. ....	42,047	23,949
Misc. P. D. & coll. ....	269,593	87,774

Total .....\$24,080,094 \$11,668,813

**Calif. Cas. Exch.**—Assets, \$3,392,445; dec., \$89,736; unearned prem., \$165,107; loss res., \$23,693; liab. res., \$164,555; comp. res., \$1,046,105; add'l reserve, \$956,775; surplus, \$861,251; inc., \$24,495. Experience:

	Net Prems.	Losses Pd.
Auto comprehensive .....	\$ 6,357	\$ 1,590
Auto liability .....	170,183	54,110
Other liability .....	18,416	1,231
Workmen's comp. ....	1,154,970	591,922
Auto prop. damage .....	48,136	18,444
Auto collision .....	62,798	21,972
Other P.D. and Coll. ....	244	.....
Other Auto .....	27,376	5,894

Total .....1,488,480 \$ 695,163

**Canadian Indemnity**—Assets, \$640,710; inc., \$88,443; unearned prem., \$131,158; capital, \$300,000; surplus, \$459,676; inc., \$90,894. Experience:

	Net Prems.	Losses Pd.
Other liability .....	\$ 37,596	\$ 16,495
Burglary and theft. ....	9,976	2,703

Total .....\$ 47,572 \$ 19,198

**Central Assurance**—Assets, \$351,775; inc., \$21,196; unearned prem., \$13,654; loss res., \$6,774; surplus, \$248,525; inc., \$22,607. Experience:

	Net Prems.	Losses Pd.
Accident & health. ....	\$ 137,171	\$ 50,342

**Coal Merchants Mut., N. Y.**—Assets, \$966,905; inc., \$48,003; unearned prem.,

\$114,622; comp. res., \$353,747; surplus, \$406,750; inc., \$20,326. Experience:

	Net Prems.	Losses Pd.
Workmen's comp. ....	\$ 407,485	\$ 167,640
Auto and other liability, auto and other P. D. and collision reinsured 100%.	.....	.....

**Consolidated Taxpayers Mut., N. Y.**—Assets, \$1,373,120; inc., \$256,699; unearned prem., \$473,186; liab. res., \$480,060; surplus, \$380,874; inc., \$58,532. Experience:

	Net Prems.	Losses Pd.
Liability other than auto .....	\$ 788,438	\$ 163,856

**Dearborn National Cas.**—Assets, \$1,179,898; dec., \$81,543; unearned prem., \$260,085; loss res., \$43,947; liab. res., \$172,525; capital, \$390,200; surplus, \$227,930; dec., \$84,200. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$ 297,756	\$ 153,604
Other liability .....	54,749	27,534
Plate glass .....	32,498	11,721
Burglary and theft. ....	8,630	1,748
Auto prop. damage .....	217,857	73,176
Auto collision .....	50,144	22,455
Other P. D. and coll. ....	12,455	1,032
Other auto .....	2,073	.....

Total .....\$ 676,162 \$ 291,270

**European General**—Assets, \$23,301,108; inc., \$975,602; unearned prem., \$5,175,856; loss res., \$4,019,007; liab. res., \$4,533,580; comp. res., \$459,146; non-can. A&H res., \$2,420; capital deposit, \$1,050,000; surplus, \$3,950,000. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$1,139,844	\$ 538,954
Health .....	156,702	102,170
Non-can. H.&A. ....	202	18,043
Auto liability .....	3,286,671	1,293,857
Other liability .....	592,118	107,888
Workmen's comp. ....	86,854	13,279
Fidelity .....	967,683	229,088
Surety .....	1,198,248	346,777
Water damage .....	684	160
Burglary and theft. ....	865,668	106,359
Steam boiler .....	60,094	3,388
Engine and mach. ....	61,680	12,689
Auto prop. damage .....	271,818	38,573
Auto Collision .....	6,131	.....
Other P.D. and coll. ....	100,807	37,604
Credit .....	187,718	25,076

Total .....\$8,982,922 \$2,878,905

**Excess, N. Y.**—Assets, \$3,853,320; inc., \$324,907; unearned prem., \$451,452; loss res., \$239,790; liab. res., \$791,839; comp. res., \$384,578; capital, \$755,095; surplus, \$901,639; inc., \$66,676. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 1,255	\$ 801
Health .....	1,245	.....
Auto liability .....	739,338	284,871
Other liability .....	142,139	26,500
Workmen's comp. ....	160,843	34,315
Fidelity .....	31,146	2,733
Surety .....	212,450	7,802
Plate glass .....	24	.....
Burglary and theft. ....	6,321	997
Steam boiler .....	3,216	.....
Engine and mach. ....	8,797	.....
Auto prop. damage .....	114,408	42,344
Other P.D. and coll. ....	12,839	.....

Total .....\$1,433,997 \$ 400,387

**Farm Bureau Mut. Auto. Co.**—Assets, \$7,196,295; inc., \$1,250,567; unearned prem., \$1,774,043; loss res., \$488,424; liab. res., \$2,031,492; surplus, \$1,250,000; inc., \$250,000. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 116,539	\$ 42,802
Auto liability .....	3,250,902	1,449,495
Other liability .....	22,233	130
Fidelity .....	2,426	898
Burglary and theft. ....	12,115	6,315
Auto prop. damage .....	1,365,605	765,862
Auto collision .....	1,431,142	864,699
Other P.D. and coll. ....	9,368	721
Auto theft .....	218,401	32,774

Total .....\$6,428,731 \$3,163,696

**General Casualty, Wis.**—Assets, \$1,688,584; inc., \$216,834; unearned prem., \$575,330; loss res., \$63,489; liab. res.,

\$456,630; capital, \$200,000; surplus, \$315,393; inc., \$10,173. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$ 843,561	\$ 345,303
Auto fire .....	93,153	17,427
Auto theft .....	61,067	8,710
Auto prop. damage .....	315,504	125,067
Auto collision .....	228,978	101,856

Total .....\$1,542,265 \$ 598,366

**Guarantee of No. America**—Assets, \$2,042,859; dec., \$21,523; unearned prem., \$187,545; loss res., \$169,899; capital, \$250,000; surplus, \$1,348,416; dec., \$59,863. Experience:

	Net Prems.	Losses Pd.
Fidelity .....	\$ 151,093	\$ 36,954
Surety .....	172,980	—207

Total .....\$ 324,073 \$ 36,747

**Industrial Indemnity**—Assets, \$684,528; inc., \$121,284; unearned prem., \$77,687; comp. res., \$97,422; capital, \$200,000; surplus, \$297,086; dec., \$7,535. Experience:

	Net Prems.	Losses Pd.
Workmen's comp. ....	\$ 177,167	\$ 11,355

**Industrial Indem. Exch.**—Assets, \$2,087,434; inc., \$78,046; comp. res., \$1,279,020; surplus, \$548,958; inc., \$30,389. Experience:

	Net Prems.	Losses Pd.
Workmen's comp. ....	\$1,934,774	\$ 879,407

**Iowa Mutual Liability**—Assets, \$2,265,122; inc., \$246,011; unearned prem., \$771,486; loss res., \$75,123; liab. res., \$407,763; comp. res., \$220,106; surplus, \$581,654; inc., \$72,079. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 8,968	\$ 2,057
Auto liability .....	550,313	204,110
Other liability .....	57,902	5,566
Workmen's comp. ....	408,862	219,524
Plate glass .....	6,032	2,676
Auto prop. damage .....	230,865	98,507
Auto collision .....	243,627	122,111
Other P. D. and coll. ....	6,564	1,090
Other auto .....	21,020	75,054

Total .....\$1,728,153 \$ 730,695  
Does not include \$100,000 voluntary reserve.

**Maryland Casualty**—Assets, \$41,489,122; inc., \$729,017; unearned prem., \$11,725,347; loss res., \$3,726,154; liab. res., \$6,412,423; comp. res., \$7,370,874; capital, \$2,544,798; surplus, \$5,293,230; inc., \$868,974. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$1,269,033	\$ 506,588
Health .....	194,276	119,779
Auto liability .....	5,314,962	2,299,210
Other liability .....	2,920,622	925,382
Workmen's comp. ....	6,342,570	3,673,221
Fidelity .....	1,490,693	398,113
Surety .....	2,730,835	282,122
Plate glass .....	379,286	158,994
Burglary and theft. ....	1,037,062	252,767
Steam boiler .....	640,580	89,660
Engine and mach. ....	263,174	33,497
Auto prop. damage .....	1,578,954	755,571
Auto collision .....	52,035	24,203
Other P. D. and coll. ....	224,924	48,169
Sprinkler .....	116,012	44,603

Total .....\$24,555,019 \$9,611,879

**Merch. Mut. Cas., N. Y.**—Assets, \$3,794,519; dec., \$196,093; unearned prem., \$1,052,127; loss res., \$150,810; liab. res., \$1,422,818; comp. res., \$284,290; surplus, \$752,996; inc., \$28,025. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 77,663	\$ 35,427
Auto liability .....	2,349,045	1,259,356
Other liability .....	180,196	27,155
Workmen's comp. ....	319,510	171,003
Plate glass .....	18,059	7,765
Auto prop. damage .....	675,504	331,235
Auto collision .....	30,123	16,197
Other P.D. and coll. ....	5,737	824

Total .....\$3,605,837 \$1,848,962

**Mid-America, Mich.**—Assets, \$442,642; dec., \$55,644; unearned prem., \$40,656; loss

res., \$27,018; Mich.; capital, \$200,000; surplus, \$132,645; inc., \$52,265. Experience:

	Net Prems.	Losses Pd.
Fire & theft. ....	\$ 15,909	\$ 11,724
Auto comprehensive .....	35,562	33,896
Auto collision .....	117,095	199,769
Other auto .....	622	204

Total .....\$ 169,188 \$ 245,593

**Natl. Auto. Owners Int. Ins.**—Assets, \$167,328; dec., \$26,638; unearned prem., \$49,351; loss res., \$850; liab. res., \$11,076; surplus, \$93,201; dec., \$13,070. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$ 96,989	\$ 92,444
Auto prop. damage .....	41,509	14,645
Auto collision .....	18,501	9,185
Other auto .....	14,658	4,508

Total .....\$ 171,658 \$ 120,783

**Natl. Grange Mut. Liab., N. H.**—Assets, \$2,449,827; inc., \$265,859; unearned prem., \$620,673; loss res., \$153,733; liab. res., \$815,393; surplus, \$475,000; inc., \$24,465. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$1,169,069	\$ 598,034
Auto prop. damage .....	412,501	184,999
Auto collision .....	64,781	32,220

Total .....\$1,646,351 \$ 815,253

**Natl. Travelers Cas.**—Assets, \$333,305; dec., \$9,265; unearned prem., \$35,279; loss res., \$26,490; liab. res., \$22; conting. res., \$40,612; surplus, \$225,000. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 91,117	\$ 44,102
Health .....	68,716	28,637
Non-canc. H. & A. ....	5,357	412

Total .....\$ 165,190 \$ 73,151

**New Century Casualty**—Assets, \$564,803; dec., \$58,776; unearned prem., \$37,123; loss res., \$17,125; liab. res., \$59,674; capital, \$200,000; surplus, \$94,170; inc., \$1,948. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$ 64,797	\$ 86,043
Plate glass .....	81,619	99,451
Auto prop. damage .....	23,439	23,518
Auto collision .....	2,951	3,745

Total .....\$ 172,806 \$ 212,757

**New England Cas.**—Assets, \$1,505,525; inc., \$5,355; unearned prem., \$40,476; loss res., \$1,803; liab. res., \$850; comp. res., \$328; capital, \$750,000; surplus, \$705,059; dec., \$45,111. Experience:

Auto liability .....	\$ 6,571	\$ 113
Other liability .....	4,658	.....
Workmen's comp....	6,498	23
Fidelity .....	1,610	2
Surety .....	23,839	.....
Plate glass .....	683	60
Burglary and theft.	1,247	.....
Auto prop. damage.	2,200	376
Other P.D. and coll.	62	.....

comp. res., \$981,039; capital, \$1,500,000; surplus, \$3,000,000; inc., \$500,000. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 4,669	\$ 821
Auto liability .....	1,922,281	733,611
Other liability .....	954,680	237,422
Workmen's comp. ....	1,299,821	526,584
Fidelity .....	199,832	33,940
Surety .....	243,920	—2,443
Plate Glass .....	26,084	11,029
Burglary and theft. ....	59,253	19,146
Steam boiler .....	90,113	3,589
Engine and mach. ....	122,199	35,824
Auto prop. damage. ....	578,010	253,694
Auto collision .....	660,732	268,444
Other P. D. and coll. ....	160,002	48,992
Other auto .....	418,856	122,582
Total .....	\$6,740,452	\$2,293,233

**Protective Indemnity**—Assets, \$2,396,902; inc., \$80,630; unearned prem., \$269,188; loss res., \$33,229; liab. res., \$204,827; capital, \$1,000,000; surplus, \$810,118; inc., \$1,362. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 13,929	\$ 9,262
Health .....	33	—
Auto liability .....	399,324	147,310
Other liability .....	23,329	3,981
Plate glass .....	15,988	5,389
Burglary and theft. ....	75,907	21,448
Auto prop. damage. ....	115,644	56,268
Auto collision .....	8,594	3,296
Other P. D. and coll. ....	256	6
Total .....	\$ 653,013	\$ 246,960

**Public Service Mut. Cas., N. Y.**—Assets, \$1,548,583; inc., \$357,110; unearned prem., \$425,030; loss res., \$295,073; liab. res., \$126,895; comp. res., \$192,182; surplus, \$416,060; inc., \$41,055. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$ 189,542	\$ 17,775
Other liability .....	132,335	9,949
Workmen's comp. ....	511,755	134,943
Auto prop. damage. ....	61,605	15,648
Other P. D. and coll. ....	1,655	—
Statutory auto .....	551,098	271,592
Total .....	\$1,447,994	\$ 449,909

**Savings Mut. Cas., Ill.**—Assets, \$83,053; dec., \$62,016; unearned prem., \$15,319; loss res., \$6,367; liab. res., \$21,493; surplus, \$34,850; dec., \$10,825. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$ 17,209	\$ 43,044
Auto prop. damage. ....	7,445	6,539
Auto collision .....	6,890	5,147
Other auto .....	4,042	1,853
Total .....	\$ 35,586	\$ 56,583

**Teachers Protective, Pa.**—Assets, \$866,946; inc., \$59,650; unearned prem., \$181,092; loss res., \$27,130; surplus, \$658,145; inc., \$64,299. Experience:

	Net Prems.	Losses Pd.
Acci. and health. ....	\$ 636,706	\$ 470,451

**United Services Auto, Tex.**—Assets, \$2,256,589; inc., \$210,322; unearned prem., \$787,250; loss res., \$128,172; liab. res., \$509,855; surplus, \$762,174; inc., \$8,644. Experience:

	Net Prems.	Losses Pd.
Auto Acci. (Per. Inj.) ..	\$ 11,019	\$ 1,064
Auto fire .....	1,354	477
Auto theft .....	10	—319
Auto liability .....	637,265	195,756
Combined auto fire and theft .....	70,760	15,511
Auto comprehensive ..	123,709	26,804
Auto. hail & tornado ..	5,709	2,646
Auto inland marine. ....	6,889	2,900
Govt. Service burglary and theft (household effects). ....	68,716	11,536
Gov't service fire (household effects). ....	34,525	4,980
Auto prop. damage. ....	201,800	90,749
Auto collision .....	424,076	167,085
Total .....	\$1,585,832	\$ 519,189

**Utica Mutual, N. Y.**—Assets, \$13,564,607; inc., \$420,491; unearned prem., \$2,216,731; loss res., \$207,697; liab. res., \$2,201,303; comp. res., \$3,261,507; surplus, \$3,053,208; inc., \$53,208. Experience:

	Net Prems.	Losses Pd.
Accident .....	\$ 7,185	\$ 284
Auto liability .....	2,391,808	955,267
Other liability .....	208,257	42,444
Workmen's comp. ....	3,095,116	1,410,876
Plate glass .....	6,965	1,617
Burglary and theft. ....	6,657	700
Auto prop. damage. ....	667,052	308,345
Auto collision .....	89,072	45,038
Other P. D. and coll. ....	24,086	7,154
Other auto .....	591	291
Total .....	\$6,496,789	\$2,772,016

**Utilities Mutual, N. Y.**—Assets, \$4,926,631; dec., \$56,891; unearned prem., \$99,681; liab. res., \$5,000; comp. res., \$2,282,182; surplus, \$2,256,254; dec., \$83,237. Experience:

	Net Prems.	Losses Pd.
Other liability .....	\$ —	\$ —195
Workmen's comp. ....	943,890	554,627
Total .....	\$ 943,890	\$ 554,432

**Virginia Surety**—Assets, \$583,481; inc., \$177,107; unearned prem., \$4,130; loss res., \$7,008; liab. res., \$8,999; capital, \$300,000; surplus, \$128,214; inc., \$51,255. Experience:

	Net Prems.	Losses Pd.
Auto liability .....	\$ 12,309	\$ 3,645
Fidelity .....	1,446	30
Surety .....	3,867	—2,822
Auto prop. damage. ....	6,526	3,336
Total .....	\$ 24,148	\$ 4,730

## LEGISLATION

**Minnesota**—A state automobile liability insurance fund is proposed in the senate.

The bills which keep hospital service associations out of the supervision of the state insurance department have passed both houses.

A house bill establishes a department of labor which takes over the powers and duties of the industrial commission.

**Nebraska**—A measure has passed permitting the issuance of liability policies with medical reimbursement provisions irrespective of legal liability.

**Iowa**—The senate has passed bills authorizing state, counties, cities and towns to deduct from employee salaries monthly payments to non-profit hospital service plans; excluding certificated carrier employees from claiming coverage for injury or death under liability policies required of carrier; and authorizing certificated motor carriers to file liability bond or certificates of insurance.

**Florida**—The Florida Insurance Agents Association is launching a campaign to defeat the proposed state compensation fund bill backed by the Florida Federation of Labor.

**Washington**—Governor Langlie has signed the bill authorizing medical reimbursement riders on automobile liability policies. The survivorship of action bill may pass in the final legislative session this week.

**Michigan**—Two bills embodying Governor Van Wagoner's recommendations for liberalizing the compensation laws have been introduced. One measure abolishes the present schedule of compensable occupational diseases, making all diseases compensable. The amended law would make prior employers liable for compensation if it was shown that a disease was contracted during an earlier employment. The employer would be held, in addition to compensation, liable for medical, surgical and hospital services and necessary medicines for a one year period following disablement.

The other bill would increase the maximum compensation rate from \$18 to \$21 and the minimum from \$7 to \$12 a week. Lump sum payments for specific injuries would be similarly increased.

**Oregon**—The senate has passed a bill providing a new schedule of compensation benefits which is estimated to increase total benefits by about \$500,000 a year. The senate passed the bill extending compensation law to employment by private contractors on property and premises belonging to federal government located within the state.

The financial responsibility act revision passed the house by a large majority but was decisively defeated in the senate.

Both houses have passed the bill requiring payment of an additional 50 cents on drivers licenses for the benefit of hospitals which take care of indigent

persons injured in automobile accidents. It is estimated it will produce a fund of \$122,000 annually. The fund will be administered by the state industrial commission.

**Indiana**—The senate has passed the house bill which gives the compensation rating bureau authority to fix a maximum rate. The senate has also passed the house bill which provides that directors of companies writing only physicians or dentists liability shall be either policyholders or shall have had five years or more actual experience in the management or underwriting of such insurance. The senate has passed bills providing that employees shall receive a copy of a physicians' examination on compensation cases and requiring indemnity bonds of \$25,000 from pest exterminators.

**Pennsylvania**—A bill has been introduced extending occupational disease compensation to "any infection due to bacterial or parasitic agents in any occupation involving direct contact with, handling thereof, or exposure thereto."

**Massachusetts**—At an insurance committee hearing there was no opposition to Commissioner Harrington's proposal to allow employees ineligible for group accident and health to be allowed to pay the complete cost of such protection where the employer is unable or unwilling to contribute to the cost.

Decided opposition was presented to measures making waiver of premiums for disability effective immediately and placing the burden of proof of disability on the company.

**Texas**—The senate insurance committee approved a bill permitting mutuals to write fidelity and surety bonds.

**Illinois**—Bills which would permit insurance carriers to be named parties defendant in proceedings involving accidents are pending in the Illinois house.

## Court Holds Minor Is Not a "Guest"

A decision has just been handed down by the Indiana Appeals Court that a child under seven is as a matter of law not a guest and may recover for injuries resulting from a driver's failure to exercise ordinary care for her safety. The decision was in the case of Fuller v. Thrun.

A contrary holding was made by the supreme court of Kansas in Morgan v. Anderson, May 6, 1939. Here also the plaintiff was a minor.

"The weight of authority is that a minor as well as an adult can be a 'guest,'" the Kansas opinion stated, "even though unaccompanied by a parent or guardian and even though no express consent of parent or guardian has been shown."

Thirty-seven states have automobile "guest" laws, which make it necessary for the "guest" to show wilful or gross negligence on the part of the driver of the automobile as grounds for recovery of damages. Of this number only four, California, Nevada, North Dakota and Utah use the terminology "a guest" who "accepts a ride." This "acceptance" has made some difference in application of the guest law in the case of minors.

## Ocean Accident Appoints Flynn Indianapolis Manager

William P. Flynn, formerly in the Pittsburgh, Pa., office of Ocean Accident and Columbia Casualty, has been appointed resident manager for the companies at Indianapolis. He replaces Ralph C. Kelley, who has been transferred to the Philadelphia office in the same capacity.

Mr. Flynn has had 15 years experience in the casualty business. Before going with Ocean Accident he served with Employers Liability, Maryland Casualty and Travelers, all in Pennsylvania.

## Show Interest in Directors Liability

**NEW YORK**—Casualty companies are still interested in the possibilities of writing directors liability insurance, although there is still no indication that any appreciable amount of this business has been written. The number of corporations revising their constitutions or bylaws to provide for indemnification of directors against their possible liability as reported in these columns on several occasions, has impressed many company officials with the potential business. Every one of these corporations would be a prospect for insurance of the liability assumed by these indemnifying agreements, probably in substantial amounts and several leading underwriters have been giving much attention to possibility of arranging this coverage on a sound and equitable basis.

It is believed that the charter of the National Bureau of Casualty and Surety Underwriters is broad enough to give that organization jurisdiction over this line, but there is no indication whether the bureau desires to assume it. Observers think it probable that this business, if it is written at all, will be handled by companies on an individual basis at first. If successful, it may eventually be taken over by the National Bureau, or perhaps an unofficial conference of interested companies may be organized if the bureau decides not to assume jurisdiction over it.

### Corporation as Assured

While the possibility of offering protection to individual directors has been discussed and there seems to be no reason why it might not be feasible, the primary interest of the companies is in offering policies to corporations which have agreed to indemnify their directors. The opinion has been expressed that this would be more desirable from an underwriting viewpoint, since more than one director is usually involved in a suit and an insurance company would probably have to defend all to protect its interests. It is also felt that as more corporations agree to indemnify their directors, the news will get around and others will be forced to get in line to get and keep desirable men.

Much study has been given the data compiled by the American Management Association on this subject by underwriters. It is recalled that the report made at the December meeting of this organization on the questionnaire sent out some time before indicated that many firms were interested in insurance of this type, although there was considerable doubt whether it could be written at a premium attractive to most corporations.

So far, no new companies are reported to have written this line. Indemnity of North America is believed to have written some in the past and some business has been placed and lost, although no new business has been rumored recently.

### B. G. La Boyteaux Advanced

**NEW YORK**—Brooks G. Laboyteaux has been elected vice-president of Neubold & Reilly, Inc., general agency of this city, with supervision of its ocean and inland marine department. Previously he was inland marine superintendent for Fowler & Kavanagh, eastern managers of St. Paul Fire & Marine.

Mr. Laboyteaux comes of an insurance family, an uncle being president of Johnson & Higgins, another uncle a prominent marine broker of this city, and a brother a special agent for American in the west.

J. T. Nobel, president of the agency, was formerly vice-president of Standard Surety & Casualty.

### Hold Fictitious Fleet Hearing

**SAN FRANCISCO**—A further hearing on "fictitious fleets" will be held here by the insurance department March 14.

Subscribe to the Accident & Health Review now and get the annual 64 page Survey Edition free. Use the handy card in this issue.



# A · DIRECTORY · OF RESPONSIBLE INDEPENDENT ADJUSTERS.

## ARIZONA

**LYLE ADJUSTMENT COMPANY**  
LUHRS BLDG., PHOENIX  
All Lines  
BRANCHES  
TUCSON FLAGSTAFF YUMA  
Woolworth Bldg. Masonic Bldg. 524 Orange Ave.  
Covering—Arizona, Western New Mexico, Southern  
Utah and Imperial Valley, California

## ARKANSAS

**CENTRAL ADJUSTMENT COMPANY**  
E. E. Snapp, Manager  
Suite 306 Exchange Bldg.  
Little Rock, Arkansas  
BRANCH OFFICES  
Fort Smith Office El Dorado Office  
217 First Nat. Bank Bldg. 208 N. Washington  
Jonesboro Office  
Bank of Jonesboro Bldg.

## CALIFORNIA

**W. E. GRIFFITH & SON**  
332 Pine Street, San Francisco  
Insurance Claims Adjusters  
Oakland Office: 1736 Franklin  
San Jose Office: 246 South First St.

## DIST. OF COLUMBIA

Office, National 1717 Res. Emerson 4077  
Facilities for investigation and adjustment of  
insurance claims—all lines.  
**ROBERT W. GREEN**  
Heurich Bldg., 1627 K St., N. W.  
Washington, D. C.

## NICHOLS COMPANY INSURANCE ADJUSTMENTS

All lines—Representing Companies only  
Established 1921—Twenty-four hour Service  
Woodward Bldg., Washington, D. C. Phone Met. 0310  
Mutual Bldg., Richmond, Va. Phone Dial 3-8359  
Mercantile Trust Bldg., Baltimore, Md.  
Phone Plaza 6220  
Masonic Bldg., Winchester, Va. Phone Win. 179  
Wareham Bldg., Hagerstown, Md. Phone Hag. 798

## ILLINOIS

**WILSON S. LEVENS  
& CO.**  
ADJUSTERS . . . ALL LINES  
Insurance Exchange Bldg. Chicago

PHONE HARRISON 3230  
**THOMAS T. NORTH**  
ADJUSTMENT COMPANY  
Adjusters  
All Lines  
Insurance Exchange Building,  
175 W. Jackson Blvd.  
Chicago

A. B. Litow—B. I. Hayman—Adelaide M. Lelliane  
**JOSEPH RICE & CO.**  
Insurance Exchange Building  
Chicago

## ILLINOIS (Cont.)

**WAGNER & GLIDDEN, INC.**  
**TOPLIS & HARDING, INC.**  
INSURANCE ADJUSTMENTS  
ALL LINES  
Chicago Los Angeles New York  
and Detroit  
Offices Throughout the World

Established 1899  
**WHITNEY & MILLER**  
ADJUSTMENTS  
175 W. Jackson Blvd. CHICAGO

Day Phone 1472-R Night Phone 1472-W  
**FRANK R. SCHMIDT**  
Insurance Adjuster  
Representing Insurance Companies  
All Lines  
LaSalle State Bank Bldg., LaSalle, Illinois  
Covering Central Northern Illinois

**PEORIA**  
**Angus B. Ferdinand**  
1046 Jefferson Bldg.  
Licensed and Bonded  
SECRET SERVICE DEPARTMENT

**J. L. FOSTER**  
314 First National Bank Building  
Springfield, Illinois  
Fire - Automobile - Casualty

**LIVINGSTONE ADJUSTMENT SERVICE**  
619 E. Capitol Ave.—Springfield, Ill.  
Phones—Office 7531—Night 2-7335—3-1039  
Insurance claim investigations and adjustments—all  
lines—covering all of Central and Southern Illinois.  
Branch—Bellerille, Ill.—Commercial Bldg.  
Phones—Office Bellerille 4200—Night East 1054

## INDIANA

**CENTRAL ADJUSTING COMPANY**  
Consolidated Bldg. Indianapolis, Ind.  
John T. Hume, Jr., V. P. & Gen. Mgr.  
BRANCHES:  
EVANSVILLE 414 Old Nat'l Bank Bldg. 407 Lloyd Bldg.  
FORT WAYNE 835 Lincoln Tower 711 Odd Fellows Bldg.  
TERRE HAUTE 6 Ball Bldg.  
All Lines. Specializing in Automobile, Inland  
Marine and Fire

**INDIANA ADJUSTMENT  
COMPANY**  
130 E. Washington Street  
INDIANAPOLIS  
AUTOMOBILE AND CASUALTY  
Resident Adjusters at  
Evansville, Fort Wayne, Terre Haute, In-  
dianapolis, South Bend, Richmond and Louis-  
ville, Ky.

## Indiana (Cont.)

**EUGENE MCINTYRE**  
Adjustment Co.  
All Lines of Automobile, Casualty and  
Inland Marine.  
Eight East Market Street  
Indianapolis  
Branch Offices: Muncie, Ind., and  
Terre Haute, Ind.

## MARYLAND

**NICHOLS COMPANY**  
INSURANCE ADJUSTMENTS  
All lines—Representing Companies only  
Established 1921—Twenty-four hour Service  
Mercantile Trust Bldg., Baltimore, Md.  
Phone Plaza 6220  
Wareham Bldg., Hagerstown, Md. Phone Hag. 798  
Woodward Bldg., Washington, D. C. Phone Met. 0310  
Mutual Bldg., Richmond, Va. Phone Dial 3-8359  
Masonic Bldg., Winchester, Va. Phone Win. 179

## MISSOURI

Southeastern Missouri  
Southern Illinois  
Northern Arkansas  
**E. V. Cole**  
1617 Broadway, P. O. Box 104  
Cape Girardeau, Mo.

**Eugene P. Donnelly**  
Insurance Adjuster  
Automobile—Casualty—Fire—Marine  
Phone Office: Victor 3838  
Phone Home: Westport 4654  
606 Waltower Bldg., Kansas City, Mo.

**THOS. R. TADLOCK**  
Insurance Adjuster  
For companies only  
All lines—20 years experience  
916 Walnut St. Bldg., Kansas City, Mo.

## NEBRASKA

**JUDD W. CROCKER CLAIM  
DEPARTMENT, INC.**  
INSURANCE ADJUSTERS  
City National Bank Building  
Phone Jackson 5394  
Omaha, Nebraska  
BRANCHES AT  
Lincoln, Neb. Des Moines, Iowa  
Grand Island, Neb. Sioux City, Iowa  
North Platte, Neb. Iowa City, Iowa  
Scottsbluff, Neb. Cheyenne, Wyoming

## OHIO

**JOHN H. McNEAL & HARLEY J. McNEAL**  
1367 E. 6th St. Telephone Main 1925 Auditorium Bldg.  
CLEVELAND, OHIO  
INVESTIGATIONS AND ADJUSTMENTS IN ALL  
LINES OF INSURANCE  
Representing Many Companies—20 Yrs. Experience  
Service Throughout Northern Ohio.

**HERMON N. GEORGE**  
ADJUSTER  
For the Insurance Companies  
Investigations, Appraisals, Adjustments  
23 Years Experience  
714-715-716 MAHONING BANK BLDG.  
YOUNGSTOWN, OHIO  
Phones: Office 64540, 74165. Night Phone 21280

## OKLAHOMA

**H. C. SEITZ**  
ADJUSTER  
Fire, Inland Marine, Automobile  
Mercantile Building  
Phone 7-3318 Oklahoma City, Okla.

## PENNSYLVANIA

**THE CURLEY ADJUSTMENT BUREAU**  
Complete Claim Facilities for Pennsylvania,  
Northern Maryland and Southern Jersey  
ALL EMPLOYEES ADEQUATELY BONDED  
Main Office: 500 WALNUT ST., PHILADELPHIA  
Atlantic City—3700 Atlantic Avenue; Chambersburg—  
167 Lincoln Way East; Erie—Masonic Bldg.; Harris-  
burg—22 S. 3rd St.; Pittsburgh—1104 Investment  
Bldg.; Reading—Ganter Bldg.; Williamsport—120  
West 4th Street.

## SOUTH CAROLINA

**THOMAS M. McELVEEN**  
ADJUSTER  
54½ Broad Street  
Charleston, S. C.  
Complete Insurance Claim Service for Companies  
Automobile—Casualty, Compensation, Fire, Surety,  
Inland Marine, Transportation Claims  
Day Phone 5229 Night Phone 6472

## TENNESSEE

**Raymond R. Ramsey**  
Volunteer Bldg.  
CHATTANOOGA  
Fire, Tornado and Inland Marine . . . Public  
Liability . . . Property Damage . . . Auto-  
mobile, Fire, Theft, and Collision . . . Serving  
Tennessee, North Georgia and North Alabama

## UTAH

**WALTER COX**  
INSURANCE ADJUSTMENTS  
Fire—Automobile—Casualty  
285 Benson Bldg.  
Salt Lake City, Utah  
Office Phone Wasatch 3-4622 Res. Phone Bountiful 39-J

## VIRGINIA

**NICHOLS COMPANY**  
INSURANCE ADJUSTMENTS  
All lines—Representing Companies only  
Established 1921—Twenty-four hour Service  
Mutual Bldg., Richmond, Va. Phone Dial 3-8359  
Masonic Bldg., Winchester, Va. Phone Win. 179  
Woodward Bldg., Washington, D. C. Phone Met. 0310  
Mercantile Trust Bldg., Baltimore, Md.  
Phone Plaza 6220  
Wareham Bldg., Hagerstown, Md. Phone Hag. 798

## WEST VIRGINIA

**JOHN C. WYCKOFF CO.**  
INSURANCE ADJUSTMENTS  
MAIN OFFICE FAIRMONT, W. VA.  
BLUEFIELD, W. VA. CLARKSBURG, W. VA.  
Peery Building 429-430 Empire Natl.  
HUNTINGTON, W. VA. Bank Bldg.  
First Huntington Natl. Wheeling Bank and  
Bank Bldg. Trust Building  
CHARLESTON, W. VA.  
Capitol City Building  
PARKERSBURG, W. VA.  
Union Trust Building

## WISCONSIN

**Nurnberg Adjustment Co.**  
General Adjusters  
Fire, Windstorm, Hull, Automobile, Casualty,  
and Inland Marine  
Underwriters Exchange Bldg.  
MILWAUKEE  
828 N. Broadway Phone Daly 5629  
Branch Offices:  
Antigo, Madison and Eagle River

## London Fireman Praises Fire Fighting Brochure

In response to a brochure entitled  
"The Fireman's War," which in text  
and pictures sets forth the fine work of  
the London firemen in overcoming the  
havoc wrought by frequent bombing of

that city. J. W. Cosgrove, publicity  
manager of the American Reserve, au-  
thor of the brochure, has received a let-  
ter from one of the fire-fighters living  
in London.

The letter follows: "I have had the  
pleasure of seeing your large brochure.  
I am an A.F.S. man in the Hindon di-  
vision of the London Fire service and

have taken part in many of the biggest  
of the London conflagrations. I should  
very much appreciate it if you could  
possibly send me a copy as a memento  
of what has been a very thrilling ex-  
perience for us.

"In writing this letter, I should like  
to say how much we appreciate your  
generous praise of our efforts; believe

me they are worth any slight hardships  
if we can save London.

"We all enjoy our work and the  
spirit of cheerfulness is always abound-  
ing when things are blackest.

"As a freeman of the City of London,  
I add the thanks of thousands of Eng-  
lishmen for all your sympathy and help  
in our great cause."

# INSURANCE NEWS BY SECTIONS

## MIDDLE WESTERN STATES

### Rap Self-Insurance Plan for St. Louis

ST. LOUIS—The recommendation of the City Survey Commission that the city should abandon insurance on municipal buildings and create a self-insurance fund was severely criticized in a statement issued on behalf of the Insurance Board of St. Louis by John J. O'Toole, F. D. Hirschberg & Co., president of the board.

The committee, apparently forgetting entirely the terrific loss suffered by the city in 1896, when the city hospital was wrecked by a tornado and other city-owned structures wrecked or badly damaged, estimated the municipality could save \$28,000 a year.

President O'Toole's statement said in part:

#### Cost Based on Spread

"I note in this statement that the city has paid \$956,000 in the last 40 years and has recovered only \$66,000 in damages. The cost of insurance is based on a spread over all policyholders, and I do not believe that anyone buys insurance with an idea that the amount of losses collected will equal the premiums paid. In fact, if that were the case, insurance costs would be a great deal higher. We have buildings belonging to the city on which losses from fire, tornado, explosion or similar causes might result in a loss of \$500,000 or more. Is it the idea of this committee to set up a fund of \$1,000,000 to take care of losses which might occur tomorrow, and who is capable of saying that a loss of this amount might not occur tomorrow? That is the reason for insurance. Where would the million come from?"

### Program of Wis. School and Mid-Year Rally Announced

MADISON, WIS.—The program for the insurance school and mid-year meeting of the Wisconsin Association of Insurance Agents at the Hotel Loraine here, March 25-26, is rapidly being completed. W. F. Schar, Stark Insurance Agency, state executive committee member, is general chairman. President Grover Miller, Racine; Secretary Robert Ebert, Milwaukee, and other officers and executive committee members comprise the general convention committee. Secretary Ebert is now taking reservations for the school at \$2 per person. Office personnel and solicitors of member agencies are eligible to attend.

An executive committee meeting will be held at 9:30 a. m., March 25, with registration during the morning. Time will be provided to visit the state capitol to see the legislators in action and to invite senators and assemblymen to the luncheon.

The school will start at 1:30 p. m. E. L. Stephenson, Chicago manager Associated Aviation Underwriters, will talk on aviation insurance, followed by a question and answer period; W. C. Carroll, agency superintendent Maryland Casualty, on the comprehensive liability policy and Hubert Wolfe, Milwaukee, insurance attorney, on strike, riot, civil commotion and sabotage insurance.

At the banquet in the evening there will be a speaker and a playlet.

A breakfast session Wednesday will be followed by a question and answer period on fire, casualty, surety and marine insurance, with four company men and experts. Members who stump the experts will receive \$1 bills.

The school will resume after luncheon for talks and discussions on the new

automobile fire policy and the comprehensive automobile policy. At the conclusion of the school, diplomas will be awarded to all who successfully complete the two-day session.

The school held in Milwaukee last year attracted a registration of 225, and that figure undoubtedly will be exceeded this year. An invitation to attend is being extended to University of Wisconsin students who are taking insurance subjects.

### Will Support Companies Favoring Sound Practices

DETROIT—Thirteen of the 16 members of the newly appointed grievance committee of the Detroit Association of Insurance Agents attended the first meeting, with Chairman F. C. Esper, A. J. Rohde agency, presiding.

Members of the association will be urged to report instances of support of the American agency system by companies operating in Michigan, as well as to report instances of the opposite character and of unsound practices by agents. The committee hopes to achieve its objective chiefly by supporting companies favoring the system rather than by punitive measures against those who do not.

### Fond du Lac Board Elects

FOND DU LAC, WIS.—William Cole was elected president of the Fond du Lac Board at the annual dinner meeting. Edward Dana is vice-president; Hugh Crosby, secretary-treasurer; Walter Baumgarten, Edward Tambke, Leonard Wettstein, William Ryan and Joseph Pilon, retiring president, directors.

### Review Rural Protection Problems

GRAND RAPIDS, MICH.—Problems attending furnishing of fire protection to rural areas by city departments were considered by the Michigan City Managers association. J. F. Gibbs, Ferndale city manager, reported an arrangement under which Ferndale provides protection for Pleasant Ridge on a basis which he considered equitable. The formula, he said, is based on such factors as ratio of population, water connections and size of business and industrial district of the two communities. He said the arrangement provides adequate protection at an average cost of \$3 per capita for Ferndale to \$2 for Pleasant Ridge.

C. S. Johnson, Grand Rapids city manager, said charges for such service by city departments should be based on assessed valuation of the territory protected.

### Brewer Is Duluth Speaker

DULUTH, MINN.—Luther Brewer, Duluth manager Western Adjustment, spoke at the March 11 session of the Duluth Underwriters Association short course. The six weeks course will end March 25 with a talk by Dean Perry, state agent Fire Association.

### Great Bend Office Opened

The Western Adjustment is opening an office at Great Bend, Kan., in charge of George M. Lynch, Jr., resident adjuster. Mr. Lynch, formerly with the Hutchinson branch office, will continue under the supervision of J. D. Hearn, Hutchinson manager.

### Coordinate Milwaukee Prevention

MILWAUKEE—Plans for coordinating the fire fighting strength of fire departments of 14 cities and towns in Milwaukee county to meet possible emergencies growing out of stepped up

defense production were discussed at a meeting of fire chiefs. Ordinances limiting fire fighting equipment to its own community limits would be uniformly amended to aid any neighboring municipality maintaining its own department, in case of a serious fire.

### Forty at Walworth Meeting

SHARON, WIS.—Forty attended the meeting of the Walworth County Association of Insurance Underwriters here. Prof. T. T. Goff, Whitewater State Teachers College, spoke. Thomas McQueen, Racine, spoke on problems confronting the agents today. The association will hold its next meeting at Lake Geneva, Wis., next June.

### Revamp Ohio Department Quarters

COLUMBUS—Extensive alterations are to be started this week in the offices of the Ohio department in the state house annex. Many of the records will be moved to the fourth floor and the auditing and examination departments, now housed in the Rowlands building, will be moved in with the other offices. A larger room for hearings will be provided.

### Harney Is Toledo Speaker

TOLEDO, O.—R. J. Harney, special agent American, Cleveland, discussed "Selling Insurance Scientifically" at this week's meeting of the Toledo Association of Insurance Agents.

The Toledo association is furnishing a trophy cup to be presented to the outstanding Junior Chamber of Commerce in Ohio for its safety work at a statewide meeting of the junior chambers.

### Schultz Heads Nebraska Mutuals

LINCOLN, NEB.—A. H. Schultz of Scribner was elected president of the State Association of Mutual Insurance Companies at its annual meeting, with John Havekost, former state treasurer, as vice-president and O. S. Gilmore secretary-treasurer. C. T. Joern was named national committeeman. Programs consisted largely of round table discussions led by O. D. Trombla and J. F. Zimmer, Jr., of Lincoln, C. C. Zimmerman, Battle Creek; F. E. Linch, Lincoln, and Mr. Havekost. The 1942 convention will be held at Omaha.

Speakers included H. J. Requarte, Lincoln, attorney for the association, Insurance Director Fraizer, former Director Smrha and M. J. Meuer, manager of the insurance department of the Federal Land Bank at Omaha.

### Farm Bureau Meeting

The Farm Bureau Mutual Automobile, Farm Bureau Mutual Fire, Farm Bureau Life will hold the annual policyholders and service men's convention of the Farm Bureau Insurance Services at Columbus, O., April 3-4. It is expected that there will be 1,000 present. One of the sightseeing trips will take the visitors to the Farm Bureau Consumers Cooperative, which is owned and controlled by the Farm Bureau people.

### USHA Bars Detroit Self-Insurance

DETROIT—Insurance of the city's low-rent housing projects by the city's proposed self-insurance pool has been prohibited by the United States Housing Authority George Edwards, director-secretary of the Detroit Housing Commission, told Mayor Jeffries. Edwards informed the mayor that the USHA had refused to modify loan-contract provisions and insisted on insuring the buildings with private companies.

Premiums on the project now in operation amount to about \$3,500 annually. This amount will be doubled when the second unit of the project is completed. The mayor instructed Mr. Edwards and Corporation Counsel Krause to go to Washington in an effort to convince the

### Twenhoevel Agency Starts Fireworks in Belleville

A piquant insurance situation has developed in Belleville, Ill. The fireworks started when many of the agents in Belleville received a mimeographed communication from the Twenhoevel Company agency of that city, one of the largest insurance offices in Belleville. Mr. Twenhoevel invited the other agents in the city to give up their agencies and to become associated with the Twenhoevel Company as brokers. Failing to accept that invitation, the Twenhoevel communication indicated that the Twenhoevel agency would give up the representation of companies that were represented by such agents as did not transform themselves into Twenhoevel brokers.

The invitation, it seems, was not particularly attractive to some of the agents and the Belleville Insurance Association passed a motion to enforce an in or out rule in the city. The Twenhoevel agency is non-board and that would mean that the board agents would have to give up the representation of companies that are in the Twenhoevel office. There the matter stands at present.

USHA officials that the city's self-insurance plan is sound.

### Chicago Premiums Show Decline

Fire, tornado and sprinkler leakage in Cook County, Ill., in 1940 of 31 leading company groups amounted to \$12,677,977 compared with \$13,318,779 for the same group of companies in 1939, according to a survey made by the Chicago Journal of Commerce. Herewith are given the premiums for 1940 and 1939:

	1940	1939
Home	\$1,136,397	\$1,105,820
America Fore	930,876	1,097,193
Royal-Liverpool	791,010	954,199
Firemen's	749,667	734,440
Hartford	651,761	637,374
North British	604,319	636,889
North America	570,920	649,157
Phoenix, Ct.	541,814	553,645
Corroon & Reynolds	460,522	465,882
London & Lancashire	457,351	503,119
Springfield	443,523	431,766
National	442,080	477,870
Aetna Fire	428,357	442,526
Great American	381,646	381,949
St. Paul	338,108	353,173
American	328,788	330,357
Automobile	325,449	319,865
Fireman's Fund	299,754	313,907
Commercial Union	278,339	278,365
Glens Falls	267,849	231,670
Pearl	256,426	229,687
Standard of N. Y.	271,783	291,370
Dubuque	230,735	240,205
Millers National	230,499	189,986
Fire Association	210,835	228,146
London	200,533	229,084
Merchants, N. Y.	197,591	232,702
Travelers	196,726	197,836
Fidelity & Guaranty	184,565	164,362
Sun	171,264	191,995
Northern of London	126,210	131,627

Sept. 11-13, Minnesota agents, Rochester.

### County Board Gets Airport Line

OSHKOSH, WIS.—Public liability and property damage coverage on the Winnebago county airport has been awarded the Winnebago County Insurance Underwriters Association by the county supervisors' insurance committee. The policy is \$25,000/\$150,000 public liability, and \$25,000 personal property damage. The premium will be prorated among agents of the county.

### Charge City Buildings Overinsured

SUPERIOR, WIS.—On charges of Councilman Pinkoski that the city is paying insurance premiums on certain buildings on a basis far in excess of the valuation and replacement cost, the city council referred the matter to the property committee. Pinkoski charged the isolation hospital was insured for \$13,500, while the actual valuation was \$4,800, and that a building at the athletic



center, assessed at \$150, was insured on a \$1,500 value basis. He urged a re-valuation of properties and 80 percent uniform coverage.

#### St. Paul Women Seek Meeting

ST. PAUL—The St. Paul Association of Insurance Women plans to make a strong bid at the national meeting in Nashville for the 1942 national meeting. This week the association heard its first talk on life insurance by J. S. Hurley, Massachusetts Mutual Life. The St. Paul association recently admitted to membership women in life insurance offices.

#### Demonstrate Survey Selling

WICHITA—Byron S. Chapell, past president of the Wichita Association of Insurance Agents, and B. J. Weldon of Dulane, Johnston & Priest presented a demonstration on "Survey Selling" before the salesmanship class of the Wichita Opportunity School on a program devoted to fire and casualty insurance.

#### Barton Addresses Agents

CINCINNATI—W. S. Barton, vice-president Globe Indemnity, New York, is speaking on "Comprehensive Liability and Comprehensive Automobile Liability Insurance" at a meeting of the Cincinnati Fire Underwriters Association March 13. An open forum follows the address.

#### Meet at New Water Plant

WICHITA, KAN.—The Wichita Association of Insurance Agents met Thursday at the new soft water plant recently completed at a cost of around \$3,000,000 to bring the city a long needed supply of soft water from an area some

25 miles north of the city. City Manager Alfred MacDonald was host at the luncheon meeting arranged by A. E. Smoll, past president.

#### NEWS BRIEFS

The Mutual Insurance Association of Omaha at the annual meeting elected Clifford W. Jensen as president; H. D. Coe, vice-president; Gerald Sohl, secretary, and Thomas Adams, treasurer. Members of the advisory committee are E. M. Hansen, C. R. McCotter and Robert Sommerville. Members of the executive board are Lee Kious, W. R. Sommerville and H. T. Patterson.

The history of automobile insurance was reviewed at the March meeting of the Insurance Buyers Association of Minnesota in Minneapolis by C. W. Russell, casualty manager Travelers.

A note of Irish festivity features the style show and card party of the Insurance Women of Milwaukee Thursday night.

Roy Dickinson, formerly state agent of the Eagle Star, has been made manager of the insurance department of Dickinson & Gillespie, Minneapolis.

The Fire Adjusters Club of the Twin Cities was entertained at its March 10 dinner meeting by Isa Black, Minneapolis newspaper cartoonist.

A. M. Burnett has been elected president of the Ionia (Mich.) Association of Insurance Agents. James Hilton is vice-president and C. G. Harwood, secretary-treasurer.

A. H. Gibson, owner of the Brighton Agency, Brighton, Mich., has purchased the Charles Prosser agency there and will consolidate it with his own.

T. H. Stoffel, St. Clairsville, O., who has been ill for some months, has merged his agency with the Hunt Insurance Agency.

The H. E. Husman agency, Monticello, Ind., has been sold to the Locher agency.

Commission may be purchased for those agencies by Martin Close, Louisiana finance department director, according to a ruling of the attorney-general. The department of finance has inaugurated a policy of awarding insurance coverage on state properties by competitive bids, uniting large values in a single letting.

An act was passed by the legislature that would have ended the provision in the state insurance law that said the rates of the Louisiana insurance commission are "advisory" on public property rather than "mandatory" as is the case with private property. The measure was vetoed by the governor.

#### Heavy Wind Damage in Tenn.

Local insurance agents report that 100 buildings were damaged by a storm at Adamsville, Tenn., with about half carrying windstorm protection. A church and many residences were completely destroyed. No estimate of the total damage has been given but it will be in excess of \$25,000.

#### Heavy School Fire Losses

NASHVILLE, TENN.—Three heavy school building losses by fire occurred in Tennessee last week, including a high

school building at Dickson valued at \$40,000, an elementary school building at Chattanooga valued at \$50,000, and an elementary school building near Columbia, damage unestimated. The Chattanooga building had \$20,000 building coverage.

#### Tennessee Officials on Tour

President W. M. Harris and Secretary R. T. Cawthon of the Tennessee Association of Insurance Agents last week visited and addressed local exchanges at Jackson, Trenton, Union City and Memphis. Plans for the agents school at Knoxville June 3-5 and the annual convention in Nashville June 26-27 were presented.

#### Honors for Redden in Greensboro

About 150 turned out for the testimonial dinner recently for T. G. Redden in Greensboro, N. C. It was an occasion to express appreciation of Mr. Redden who is now a member of the executive committee of the National Association of Insurance Agents. He was presented with an electric clock and barometer. C. C. Wimbish was toastmaster. Speakers included Commissioner Boney and S. G. Otsot, manager

## WHERE TO PLACE YOUR BUSINESS

A guide or directory of responsible and adequately equipped local agents. These offices have nation-wide facilities for handling your out-of-state business.

## IN THE SOUTHERN STATES

#### Much Interest in La. State Insurance Bids

NEW YORK—Lively speculation is going on in company offices as to the nature of the bids to be opened by the department of finance of Louisiana at Baton Rouge March 15 in response to its request for a proposal for fire and windstorm insurance on state-owned properties. With the 90 percent co-insurance clause, the fire insurance liability amounts to \$18,550,130, and on a 50 percent basis, the windstorm coverage totals \$10,311,450. It is stipulated that stock companies alone will be allowed to submit tenders, and that the line any company may write upon a unit of the whole properties will be restricted to 10 percent of its surplus to policyholders.

While the loss record on the state institutions has been favorable over the years and the fire hazard is constantly being reduced through the installation of automatic sprinklers and the extension of water mains, many executives are opposed to auction block methods in the placing of insurance.

#### Opens Fredericksburg Office

The Fire Companies' Adjustment Bureau has opened a sub-office at 1009½ Princess Anne street, Fredericksburg, Va., with F. R. Yarbrough as adjuster in charge. It will be under the general supervision of the Richmond office. Mr. Yarbrough has been in adjusting work since 1930 and for the past five years with F. C. A. B., more recently at Richmond.

#### Florence Agents Reelect Miller

The Florence (S. C.) Insurance Exchange has reelected Thomas R. Miller, Lucas, Brunson & Miller, president for his fourth consecutive term. Also reelected were J. W. Howard, vice-president, and John C. Hill, Aiken & Co., secretary-treasurer.

#### Star Faculty for School at Norfolk March 24-28

An insurance school will be conducted at Norfolk, Va., under the auspices of the Norfolk division of the College of William & Mary and the Norfolk Association of Insurance Agents, March 24-28. R. E. B. Stewart, Jr., is chairman of the insurance school committee.

The instructors include Clarke Smith, Royal-Liverpool, New York; Homer D. Sherwood, Travelers; H. W. Melville, marine manager American; J. H. Bibby, United States Fidelity & Guaranty; W. F. White, superintendent accident and health department Royal, Globe and Eagle Indemnity; John H. Dillard, automobile manager Fireman's Fund; L. E. Mackall, vice-president National Surety; Ralph Bugli, advertising manager London Assurance.

#### Action at Jackson, Miss.

The city council at Jackson, Miss., has repealed the ordinance imposing high charges for private fire connections, which in the case of sprinkler systems were \$75 to \$250 a year. In lieu of this a minimum charge of \$48 for sprinklers was established, plus small per head charges for systems in excess of 1,000 heads.

#### Parrish Heads Tulsa Board

TULSA, OKLA.—H. F. Parrish has been elected president of the Tulsa Insurance board, with Paul Sisk, vice-president; James Wehelchel, secretary-treasurer. New directors are I. D. Rich, Lee Britton, Robert Lockwood, Eric C. Stahl, Hiram West and Fred Daniel.

#### Finance Director Buys Insurance

NEW ORLEANS—Insurance coverage on the waterfront properties controlled by the New Orleans Board of Port Commissioners and by the Lake Charles Harbor & Terminal District

#### ILLINOIS

##### CRITCHELL, MILLER WHITNEY & BARBOUR

Established 1868  
Insurance Exchange Building  
CHICAGO

#### Eliel and Loeb Company

Insurance Exchange  
Chicago

#### FRED S. JAMES & CO.

Established 1872  
Insurance Exchange Building  
CHICAGO  
New York San Francisco

#### Marsh & McLennan

Incorporated  
Insurance  
Federal Reserve Bank Bldg.  
164 W. Jackson Blvd. Chicago

#### Moore, Case, Lyman & Hubbard

General Agents  
175 W. JACKSON BLVD.  
CHICAGO  
Wabash 0400

#### ROLLINS, BURDICK, HUNTER CO.

175 W. Jackson Blvd.  
Chicago  
Telephone: Wab. 9600  
New York Seattle

#### KENTUCKY

##### GAUNT, HOUSTON & FITZHUGH

General Insurance  
771-781 Starks Bldg.  
Louisville, Ky.

#### LOUISIANA

##### LEON IRWIN & CO., Inc.

Established 1895  
General Agents  
New Orleans, La.

#### MICHIGAN

##### Detroit Insurance Agency

G. W. Carter, Pres.  
H. L. Newman, Vice-Pres.  
Louis J. Lepper, Sec.-Treas.  
Fisher Bldg. Detroit, Mich.

#### MISSOURI

##### Lawton-Byrne-Bruner

INSURANCE  
Saint Louis

#### OHIO

##### Walter P. Dolle & Co.

"Insures Anything Insurable"  
Dixie Terminal Building  
CINCINNATI  
Submit Your Propositions to Us

#### WISCONSIN

##### Chris Schroeder & Son, Inc.

210 E. Michigan St., MILWAUKEE  
Engineering Service—All Lines  
The largest insurance agency in the State of Wisconsin

## Va. Agents' Manager



SAMUEL BIGELOW

Samuel Bigelow, the new manager of the Virginia Association of Insurance Agents, is a graduate of Yale and the University of Virginia law school. For the past several years he has been connected with Aetna Casualty in the claim department at Norfolk and Richmond.

of the North Carolina Association of Insurance Agents.

## NEWS BRIEFS

A meeting of the executive committee of the **Oklahoma Capital Stock Insurance Council** has been called for March 22 in Oklahoma City, by John S. Adams, president.

**Raymond Rebsamen**, senior partner of Rebsamen & East Little Rock agency, has resigned as a trustee of the University of Arkansas. He was appointed in 1939.

**Eugene Oberdorfer**, president Oberdorfer Insurance Agency, Atlanta, was elected president of the Social Service Index.

Sehorn & Kennedy, Knoxville engineering firm, have been employed by the **Johnson City, Tenn.**, city council for a survey looking toward greater fire protection through improved zoning and possible extension of the city limits.

E. C. Lambert has purchased the **French-Robison agency, Okmulgee, Okla.** W. P. Robison will continue with the agency.

The **Sapulpa Insurance Agency**, managed by O. B. Pickett, has purchased the **Manifee & Boulton agency, Sapulpa, Okla.**

The insurance division of the **Thayer Insurance Agency, Hobart, Okla.**, has been placed in charge of Richard Thayer, son of the owner, Frank Thayer.

The **Frey Insurance Agency, Chickasha, Okla.**, has been taken over by O. A. Wiley. F. M. Frey, Jr., has entered the army.

L. R. Farley has taken over the agency of W. P. Johnston at **Claremore, Okla.**

The **Moncrief Insurance Agency**, formerly operated by Esther G. and E. P. Moncrief, **Checotah, Okla.**, has been sold to C. P. Futrell.

The **George Stone agency, Tecumseh, Okla.**, has been sold to F. E. Huett.

G. A. Cooley of Medford, Okla., has moved to **Snyder, Okla.**, where he has formed a partnership with Joe Krefel as Cooley & Krefel.

## Form Marine Women's Club

**LOS ANGELES**—The Marine Underwriters Luncheon Club has been launched as a new activity by women employed in marine departments here. The purpose is educational. There will be meetings with speakers on marine topics. The club will meet the first and third Tuesdays each month, the next meeting being March 18, when organization will be completed and officers elected.

## PACIFIC COAST AND MOUNTAIN

## Cashman Opens New Office, Then Heads East

Charles F. Cashman of the Cashman & Evans general agency of Denver and George E. Gettman, assistant general agent of that office, are on an eastern trip. The principal purpose was to attend the three-day convention of Camden Fire, marking the 100th anniversary of that company. En route east they stopped at Chicago and Pittsburgh to confer with officials of Alleman Fire. From Camden they will go to New York and then to Watertown to see the Agricultural Fire people.

It has been two years since Mr. Cashman made the eastern trip. The last time was to attend the ceremonies in connection with the induction of Kenneth Spencer into the presidency of Globe Indemnity.

The Cashman & Evans general agency has just moved into new and attractively arranged quarters in the Colorado building at 1615 California street from their old office at 1715 California.

There was a profusion of floral baskets.

Henry F. Evans and Mr. Cashman head the agency and coincident to their new establishment, they completed 25 years as representatives of Camden Fire.

A "production line layout" is featured in the arrangements; from front to back, each department is planned for the utmost efficiency, and to create the minimum disturbance to others in their work. Silent equipment, resilient floor covering, and each department as self-contained as possible make it easy for the staff to work with dispatch. One large room is divided into sections, for the field men, their flat topped desks, dictating equipment, stenographers, and the telephone board. A long row of filing cases make a break in the office, and back of this are cabinets in which are agents supplies.

A glass partition separates the auditing department. On the mailing side is a long mapping counter.

The private offices for Mr. Cashman and Mr. Evans are along one side and are reached without passing through any of the other departments.

## Oregon Makes Changes in Rules and Classifications

The Oregon Insurance Rating Bureau has announced several changes in tariff rules and classification of cities.

Regrading of protection has resulted in reclassifications of Bethel, Junction City, Lexington, Lostine, Parkrose and Scio.

The rule dealing with coverage at terms longer than one year at reduced multiples of the annual rates has been revised, clarified and rearranged. All but a comparatively few risks formerly limited to one-year term are now eligible for three years' coverage at 2½ annual premiums. An example of this change is the inclusion of three year term privilege at 2½ annuals of a large number of occupancies in frame or masonry mercantiles or industrials not located within protected areas. Formerly, unprotected properties of these classes were not eligible regardless of the occupancy, unless sprinklered.

## Withers Urges Cooperation of Agent and Adjusters

**SAN FRANCISCO**—Need for cooperation and harmonious action by agents, brokers and adjusters in the settlement of fire claims was stressed by K. W. Withers, Fire Companies Adjustment Bureau, in an address to the Fire Underwriters Forum.

Mr. Withers reviewed the extensive knowledge required of the adjuster and said it was impossible for any one adjuster to know thoroughly all of the phases, elements and businesses necessary for an adequate and just settlement. He must understand the assured's specific problems affecting the adjustment. "Certainly a principal should back up his agent, but the agent's position should be proper in expecting that backing," he said.

"As the adjuster makes the close contact with the assured after a loss, the agent or broker makes the close contact in preparing the contract. Cooperation of these two, therefore, seems essential in creating the most satisfac-

## CALENDAR

1794-  
1941



## Autobiography

Since 1794 the "State of Penn" has been writing its autobiography in a daily record of service to agent and assured. The book is open for all to read, and is another reason why agents are glad to hand a policy to a client and say, "It's in the 'State of Penn.'"

Fire and Accessory Lines



## Tradition . . .

Developed in the fine traditions typical of New England . . . our greatest heritage is the constancy of our agents. Their loyalty through many years has become traditional.

## RHODE ISLAND

INSURANCE COMPANY  
INCORPORATED 1905

BYRON S. WATSON  
PRESIDENT

FIRE - AUTOMOBILE - INLAND MARINE  
THE INSURANCE BUILDING  
PROVIDENCE, R. I.

THE INSURANCE COMPANY  
OF THE  
STATE OF PENNSYLVANIA

Chartered in 1794

PHILADELPHIA, PA.



tory situation for constructive work when a loss occurs.

Adjustment of the loss is the "delivery of the goods."

The discussion on extended coverage endorsement, started two weeks ago by John H. Martin of the Standard Forms Bureau, will be continued at the March 12 meetings.

### Field Men Speak in Santa Barbara

LOS ANGELES—J. M. Tracy, special agent Commercial Union group, and Robert Fromberg, special agent Royal-Liverpool group, of Los Angeles, appeared on the program at a meeting of the Santa Barbara Insurance Agents Association this week. This was a feature of the educational program sponsored by the Southern California Casualty & Surety Fieldmen's Association. Mr. Tracy discussed automobile, material damage policies, and aircraft insurance. Mr. Fromberg took up water damage steam boiler and plate glass lines. A quiz session was held.

### Semmelmeyer on Tour

H. W. Semmelmeyer, director of public relations of the Pacific Board, has been in southern California addressing meetings of local agents and special agents. This week he will speak to three groups of special agents in Salt Lake City. He plans to return to San Francisco about March 14 to participate in a joint meeting of fire and casualty special agents.

### Bates Observes 25th Anniversary

SAN FRANCISCO—H. L. A. Bates, manager of the Standard Forms Bureau, is observing the anniversary of the organization and his own association with it 25 years ago. He is a former company manager, who became secretary-manager of the bureau when it was organized in April, 1916. It has printed 571,299,000 forms and distributed \$60,829,000, at an estimated cost of \$1,083,306.

### Adjustment Office Expanding

ALBUQUERQUE, N. M.—The W. R. Zener Adjustment Co. here has added E. R. Morrison, with the Travelers for 16 years, to the staff of the Albuquerque office and Kenneth King, for four years with Maryland Casualty, to the El Paso office, working under V. M. Thompson, El Paso manager. A new branch office is to be opened at Clovis, N. M., probably about April 15.

### Phoenix Coast Rally March 18-19

SAN FRANCISCO—George C. Long and P. C. Cothran, president and vice-president of the Phoenix of Hartford, are expected in San Francisco about March 13. They will attend a meeting of the field men of the organization in San Francisco March 18-19.

### Rate War in Bakersfield

SAN FRANCISCO—Local agents of Bakersfield, Cal., are indulging in a localized fire rate war, according to advices from that section, confirmed by a number of company managers here. The fight started over the action of one aggressive local agent who, it was reported, violated an agreement which has been in effect for more than a year.

According to these reports business is being written with a minimum flat rate of \$2.50, while dwelling risks, it is said, are being written in amounts ranging from \$5,000 to \$7,500 for a flat premium of \$5. Company executives, who say

### Damage to President Hayes

NEW YORK—Repairs to the hull of the S. S. President Hayes of the American President Lines, which went aground in the Cape Cod canal March 2, will cost from \$50,000 to \$100,000, according to tentative estimates. The liner got free without any outside help but there was considerable damage to the bottom. No water entered the hold, so there was no damage to cargo.

the board company agents were granted relief to meet the situation, are confident that the unfavorable condition will be corrected within the next week or ten days.

### Sullivan's Appropriation Cut

OLYMPIA, WASH.—The storm which developed over the appropriations request of Commissioner Sullivan apparently had no serious consequences. Governor Langlie and the appropriations committee of the house in putting the finishing touches on the departmental appropriations for the 1941-43 biennium scaled down Commissioner Sullivan's previous appropriation from \$221,000 to \$212,000. Sullivan had asked for \$329,739.

### Gloyd Rejoins General

SEATTLE—F. Stewart Gloyd, recently with the Griffith Agency, Olympia, and for a number of years with General of Seattle, has rejoined the General at its home office to succeed G. W. Winkler as head of the agency service department.

### Hear Talk on War Experiences

SEATTLE—The King County Insurance Association has moved its monthly meeting date to March 14 to hear Karl M. Richard, who was a United States Treasury attaché of the American embassy in Paris at the time of the German invasion.

E. R. Bowden, chairman of the legislative committee of the Washington Association of Insurance Agents, will review the results of the 1941 legislative session.

### Sather Succeeds French

SEATTLE—O. N. Sather of the San Francisco office of the Merchants Fire of New York has been stationed in Seattle temporarily to succeed H. R. French, former general agent, who is serving a sentence at Walla Walla state penitentiary for embezzling premiums on an unreported policy covering the Tacoma Narrows Bridge. Vice-President George F. Warch, who has been in Seattle since November, is still in the northwest.

### Women Form Life-Accident Group

DENVER—The Insurance Women of Denver are making progress, in forming a life and accident division. Miss Elsie B. Mayer, national president, is engaged in its organization, aided by C. Bertha Rachofsky, secretary. Organization of women's clubs at Colorado Springs, Pueblo and La Junta is well under way to form a southern Colorado unit. The Denver Club with 200 members is the second largest in the country, California being first.

### Dinner for Wallace Kelly

SAN FRANCISCO—Associates of Wallace Kelly in the Pacific department of the Yorkshire group tendered him a dinner, following his retirement from business March 1. Mrs. Kelly was also a guest of honor. Among those present was August Knoepfle, branch secretary with headquarters in New York.

### Quiz Program in Oakland

OAKLAND, CAL.—Milton E. Pinney, America Fore; W. T. Burwell, Oakland manager Fire Companies Adjustment Bureau, and B. A. Palmer, Jr., of the Leggett Agency, Berkeley, Cal., comprised the "board of experts" who answered numerous questions propounded by members of the East Bay Insurance Exchange. R. M. Saylor of Saylor & Hill conducted the quiz program, which attracted a large attendance.

### F.U.A.P. Banquet March 20

SAN FRANCISCO—The annual banquet of the Fire Underwriters Association of the Pacific will be held March 20. The dinner will be preceded by a reception hour starting at 6:30 p. m. A special vaudeville program has been

arranged by the committee, consisting of J. H. Martin, Standard Forms Bureau; F. J. Pelletier, Hinchman Rolph & Landis; T. J. Craig, North America, and B. F. Weaver, Royal-Liverpool group. W. G. Rich, who will be the new president at that time, and Clifford King, vice-president, will be formally installed.

### Former Denverites to Meet

SAN FRANCISCO—The Arapahoe Club, composed of former Denver field men who are now on the Pacific Coast, especially in San Francisco, will be host to all Denverites who attend the annual meeting of the Fire Underwriters Association of the Pacific. The group will gather March 18 for a good-fellowship luncheon. Arrangements have been made by Cyrus K. Drew, scribe of the organization.

### Company Executives on Coast

SAN FRANCISCO—Among visitors to San Francisco the past week were T. J. Irvine, United States manager Phoenix Assurance, O. E. Lane and James G. Machonachy, president and vice-president of the Fire Association; George E. Quirk and R. H. Leckey of the Aetna Fire group. Mr. Leckey is manager of the Aetna Canadian department.

Charles R. Page, president Fireman's Fund, was host at a luncheon honoring Mr. Lane, who is chairman of the National Board laws committee. Guests included members of the laws committee of the Pacific Board.

### May Dissolve Portland Exchange

PORTLAND, ORE.—President C. A. Mansfield of the Insurance Exchange of Portland has announced to members that at the coming annual meeting a resolution that the exchange be dissolved will be presented. The announcement states that it has long been felt by many of the past officers, trustees and members of the exchange that the organization as now constituted and operated has outlived its usefulness, inasmuch as the Oregon Insurance Agents Association operating state-wide and maintaining an office and executive secretary in Portland is now equipped to perform efficiently all the functions previously performed by the exchange.

### Big Portland Fire Loss

Worst fire loss in Portland, Ore., since 1930 was destruction of the Burnett Automotive city building. Damage has been tentatively set at \$400,000.

The Roy Burnett Motor Co. carried some \$43,000 insurance on its stock of 200 new and 25 used cars and with at least a large portion of the new cars covered through a finance company's insurance connection. Loss on the cars is estimated at about \$200,000.

Shields-Harper Company had \$11,478 insurance on a \$25,000 stock. Loss is estimated at \$2,000. The Multnomah Building Co., owners of the building valued at \$200,000, carried \$130,000, with an estimated loss of \$100,000. Among others, Dayton Scales Co. estimates loss at \$1,500 on a \$15,000 stock with \$1,500 insurance, and Reo Oregon Sales Co. reported a \$4,000 loss on a \$15,000 stock, covered by \$12,000 insurance. Other occupants reported smaller losses, most of them with insurance.

### NEWS BRIEFS

B. W. Levitt of Long & Levitt, insurance attorneys in San Francisco, whose discussions on "Is Insurance Commerce?" have attracted wide interest, will speak on "What the Supreme Court Is Doing to the Constitution" at the March 13 luncheon of the Insurance Accountants Association.

The Seattle Blanket Club held its annual dinner dance March 7. William Smith was chairman of the committee in charge.

Allan Talmage, Pacific Coast manager of the American of Newark, has returned from a business trip to Honolulu.

Pacific department offices of the Atlas and Albany have moved to 315 Mont-

gomery street. They were formerly at 114 Sansome street, occupying the same quarters for about 26 years.

Walter Kulp, Jr., with the A. C. Berryhill Agency, Fort Morgan, Col., is visiting his father, W. J. Kulp, manager Mountain States Inspection Bureau, coincident to federal grand jury service in Denver.

Frances Boothman has been elected president of the Insurance Women's Club of Sacramento, Cal.; Sue Cook, vice-president, and Alta Reed, treasurer.

The G. Y. Moody Company, Washougal, Wash., has been given a testimonial certificate by North America for the 29 years of continuous representation. C. F. Carlisle, Oregon special agent, made the presentation.

A. C. Putnam has established a new agency at Redmond, Wash., the Redmond Development Co.

A new agency has been established at Marysville, Wash., by E. C. Lathrop.

## EAST

### Educational Program of N. H. Association Announced

MANCHESTER, N. H.—Details of the educational program of the New Hampshire Association of Insurance Agents to be conducted weekly the next four months have been announced by K. R. Kendall of Rochester, chairman educational committee.

A speaker, well versed in his topic, will make the circuit of five cities and towns each week, appearing in Keene on Mondays, Manchester Tuesdays, Laconia Wednesdays, Rochester Thursdays and Lisbon Fridays. Local chairmen will be in charge in each district. All the sessions will be in the evening.

The list of speakers has not yet been completed but the topics will be:

March 17, Background and Fundamentals of Insurance.

March 24, Base Principles of Automobile Insurance, including History and Development.

March 31, New Hampshire Financial Responsibility Law.

April 7, Types of Automobile Coverage. Open Forum Discussion.

April 14, Fire Insurance as it is Sold Today.

April 21, New Hampshire Fire Insurance Contract and Forms.

## N. J. President



HUBERT M. FARROW

President H. M. Farrow of the New Jersey Association of Underwriters is presiding this week at the mid-year meeting at Asbury Park. The New Jersey agents always put up a splendid program.

April 28, Principles and History of Liability Insurance.

May 5, Types of Liability Coverages. Open Forum Discussion.

May 12, Inland Marine Forms and Coverages.

May 19, Bond Forms and Coverages.

May 26, Workmen's Compensation under the New Hampshire Law.

June 2, Annual regional meetings under the direction of President Robert S. Perkins.

### Ball Transferred to Hartford

BOSTON—The New England Fire Insurance Rating Association has transferred W. A. Ball, divisional manager at Worcester, to a similar post in Hartford. E. E. Riley becomes acting divisional manager at Worcester. Mr. Ball has been with the New England Exchange and the association since 1922 and has been stationed at Worcester since 1934. Mr. Riley has been inspector in the Worcester territory for some years.

### Clarence Hubbard to Speak

Clarence T. Hubbard, secretary of the Automobile, will address the New England Gas Utility Executives in Boston March 27 on "What Insurance a Gas Company Should Carry."

### Legislative Report in Buffalo

BUFFALO—The March meeting of the Buffalo Association of Fire Underwriters was postponed a week so the

group could hear a report on the automobile liability situation from Jay W. Rose, secretary New York State Association of Local Agents, who is attending legislative sessions in Albany. The Buffalo association will hold its annual meeting April 2.

### N. J. Association Dinners

At a dinner-meeting of the Union Association of Insurance Agents, Union, N. J., E. M. Allen, National Surety, talked on "Agency Organization" and pointed out what organizations can accomplish.

H. M. Farrow, president New Jersey Association of Underwriters, spoke at a dinner meeting of the Ocean County Association of Insurance Agents at Toms River on the strength of organization.

The Somerset Association of Insurance Agents at its meeting in Somerville, N. J., heard a talk by Oscar Beling, agency systems manager Royal-Liverpool groups.

The National Fire & Marine has opened an agency service office in Jersey City, with C. M. Nichols as manager.

Loss in a fire which swept a business district in Butler, Pa., early in February, originally set as high as \$500,000 in unofficial estimates, was about \$150,000 and insurance loss close to \$100,000, claim adjustments show.

Cravens, Dargan & Co., Houston. Prior to that he was manager of branch offices of Home in Houston and in New Orleans.

Houston, Bevan & Stevenson are general agents in southwest Texas of Hartford Accident.

### Marine Division Conference

The marine division of the Automobile and Standard Fire held the mid-winter conference at White Sulphur Springs under the direction of Vice-president E. J. Perrin.

## CANADIAN

### Automobile Compensation Plan Proposed in Ontario

TORONTO—A system to provide compensation for persons injured in automobile accidents caused by financially irresponsible drivers is now under consideration by the Ontario government. Attorney-general Conant has under advisement a report of Superintendent McNairn. The proposed measure is the first of its kind in Canada.

Under the proposal, a motorist, when he obtains a license, will submit a certificate of insurance, or of financial inability to obtain it. Those who do not carry insurance or are unable to buy it will pay \$2 annually to a fund to be used only for injury to persons. Property damage will not be covered. The fund, it is estimated, will raise about \$720,000 annually from an estimated 360,000 motorists not now insured.

Claims against the fund will be based on judgments where the driver is found liable or negligent. The driver against whom the judgment is given will be ordered to reimburse the fund on a time-payment basis, according to his earnings.

A maximum limit may be provided. In the case of a \$10,000 award, the driver would probably pay half and the fund the balance. If the driver at fault does not reimburse the fund, his license would be cancelled. When he does pay he would be permitted to continue driving.

Insurance companies are understood to be in accord with tentative provisions in the plan.

### McNairn Urges Action on Commission Situation

TORONTO—In his annual report Superintendent McNairn of Ontario states that "there is no doubt that the present basis of agents' remuneration is, in a number of respects, inequitable and that the cost of insurance to the public is in some cases increased by the higher rates of commission which are not always justified by the services rendered. It is in the interest of both companies and agents to arrive at a proper basis

### Fire, Auto Premiums in Canada Show Increases

OTTAWA—Fire insurance premiums written in Canada in 1940 increased \$808,947 or 1.92 percent to \$42,896,742, the Dominion department reports. Canadian companies wrote \$10,961,511, British companies \$15,350,818 and other companies, mainly U. S., \$16,584,413.

Losses incurred decreased from \$16,188,278 in 1939 to \$15,937,702 in 1940, the loss ratio being 37.15, against 38.46 in 1939. The ratio for Canadian companies was 36.29, British 35.75 and others 39.02.

Net premiums for automobile insurance of all classes were \$21,182,996, an increase of \$2,323,123, or 12.32 percent. Losses incurred were \$10,588,272, or 49.98 percent, as compared with 47.45 percent for 1939.

before demands for governmental regulation become more pressing."

The commission question has long been a source of dissatisfaction to both companies and agents generally, Mr. McNairn reports. "The greatest cause of complaint seems to be the higher rate of commission paid to some agents in certain excepted cities. While some agents in receipt of a higher rate of commission are equipped and qualified to render, and do render, a service which might entitle them to a higher commission rate, the dissatisfaction arises from a substantial number who are not so equipped or qualified but who have, nevertheless, received a higher rate of commission. Some agency organizations have filed resolutions with this department to the effect that the location of the risk should govern the rate of commission. One insurance executive has gone so far as to suggest that a law prohibiting discrimination in commission rates should be passed in Ontario, similar to a law now in force in Alberta."

### Alberta Fund Figures

EDMONTON—Insurance in force of the Alberta Government Insurance Office Dec. 31 totals \$12,741,234, according to Provincial Secretary Manning.

After deductions for return premiums, reinsurance ceded and provision for unearned premium reserve, net revenue for last year's operations was \$36,956. Expenditures were \$23,390, leaving a net surplus of \$13,566. There was a deficit on 1939 operations of \$5,483.

### Ontario Auto Rates Adjusted

TORONTO—Adjustment in motor vehicle rates has been put into effect in Ontario by the Canadian Underwriters Association.

There is an average increase in fire, theft and collision rates for private passenger cars of .7 of 1 percent and 1 percent on commercial vehicles. In north-

## MARINE INSURANCE NEWS

### Cites Inland Marine Prospects in Defense Work

L. F. Hawley, Chicago, vice-president Newhouse & Sayre, told the mid-year meeting of the Minnesota Association of Insurance Agents in St. Paul that premium opportunities in connection with the defense program are not confined to fire, casualty and surety lines, but also offer many chances to increase inland marine sales. He pointed out that each government construction job usually requires an equipment floater to cover the contractor's movable equipment and usually there is an opportunity to sell an installation floater and a transportation floater. And the great increase in the amount of transportation means increases in motor truck cargo business.

### Personal Lines Also Good

When commercial opportunities are exhausted, Mr. Hawley said, an agent should turn his efforts toward the solicitation of personal inland marine lines. The rise in employment and payrolls makes more prospects for the personal property floater, which Mr. Hawley characterized as the outstanding source of premium income today. He pointed out that less than 50 percent of the losses paid under this policy occur on the premises of the assured. Some agents opposed this policy at first, partially because they did not wish to be bothered with it and partially because commissions were at a lower rate, but they have discovered that the total amount of commission is usually greater than that under separate fire and burglary policies and the overhead expense of putting one policy through the books is much less than handling a number of them. He said that any person with

personal property worth \$3,000 or more cannot afford to be without it.

Mr. Hawley said that while fire insurance premiums, prior to the current defense expansion, were constantly decreasing as a result of rate reductions and decreased inventories, inland marine premiums have increased each year. Last year stock companies wrote over \$52,000,000, an increase of 14 percent over 1939, and apparently on a profitable basis. During the past year 96 percent of all inland marine premiums were written by stock companies and 96 percent of this figure was written by Inland Marine Underwriters Association companies. Ocean marine premiums practically doubled last year because of increased rates for war risk insurance, rising from \$48,000,000 to \$84,000,000, with reports from several large companies not in as yet.

The abuses which originally developed on inland marine insurance have been largely eliminated, due to the uniform definition of marine insurance and the authority of the I.M.U.A., Mr. Hawley said. He also said that the personal property floater has been spreading every year until now only 15 states do not permit it, nearly all of which are in the east.

### Kelly with Houstoun, Bevan

William Kelly has joined the Houstoun, Bevan & Stevenson agency at Houston in charge of the marine and inland marine department. He has been in the business 22 years and was formerly in charge of the marine department of

**FACTUAL APPRAISALS**

Impartial Valuations of Industrial and Commercial Property... A quarter century of factual appraisal service to America's more conservative business institutions.

**The Lloyd-Thomas Co.**

APPRAISAL ENGINEERS

EXECUTIVE OFFICES

NEW YORK 350 FIFTH AVE. CHICAGO 4411 RAVENSWOOD AVE.

DISTRICT OFFICES IN OTHER PRINCIPAL CITIES

## NATIONAL INSPECTION COMPANY

CHICAGO, ILLINOIS

Service to Stock Fire Insurance companies for 38 years.  
Inspections and Underwriting Reports.

J. G. Hubbell, }  
H. B. Chrissinger, } Managers

R. L. Thiele, Asst. Mgr.  
M. E. Bulske, Chief Inspector

## QUEEN CITY FIRE INSURANCE COMPANY

SIoux FALLS

D. P. LEMEN, President

SOUTH DAKOTA

1905

Thirty-six years of service

1941

All Classes of Ocean and Inland Marine Insurance

**MARINE OFFICE OF AMERICA**

WESTERN DEPARTMENT

INSURANCE EXCHANGE BUILDING - CHICAGO

Offices in Principal Cities



ern Ontario, the collision rates have been increased 25 percent, while fire rates on private cars are down 20 percent. In rural areas collision rates have been advanced 15 percent.

Private passenger automobile rates have been modified in Manitoba and Saskatchewan by the Western Canada Insurance Underwriters Association, generally resulting in increases.

### Quebec to Probe Insurance

MONTREAL—Premier Godbout of the province of Quebec told a delegation from the Royal Automobile Club, which called on him to protest recent advances in automobile premium rates, that he plans to undertake in the very near future an investigation of all branches of insurance in the province.

Superintendent Lafrance probably will head a commission to be appointed by Mr. Godbout.

### Windsor Agents Elect

WINDSOR, ONT.—Paul Roberts has been elected president of the Windsor Fire & Casualty Insurance Agents Association, with Martin Clavell, vice-president and Clayton Blonde, secretary-treasurer. Directors are F. R. Larkin, C. A. McAllister, Horace Atkinson, A. E. Thompson and W. G. Wells.

### Beveridge Assistant Secretary

MONTREAL—George V. Beveridge has been appointed assistant secretary of the Royal-Liverpool groups at the Canadian head office here. He has spent his entire insurance career with those companies, in both western and eastern Canada.

### Fort William Agents Elect

The Fort William (Ont.) Fire Insurance Agents Association has elected these officers: President, N. T. Owens; vice-presidents, J. F. O'Brien and W. P. Bailey; secretary-treasurer, W. A. Dyke.

## MOTOR

### Collision Rate Increase Demand

Automobile collision losses continue to plague the companies. The losses took a sharp upward turn in October and there has been no relief since that time. The collision loss ratio is currently running above 70 percent and the entire motor vehicle account is producing a loss ratio of about 60 percent.

There is a good deal of sentiment in favor of increasing collision rates in the rate revision that will be put in effect in May. Some of the influential companies are reported to be resisting any substantial increase in collision premiums but a good deal of pressure is being brought to bear by the advocates of an increase. The companies writing finance business in substantial amounts are suffering more than the others, because a great deal more collision insurance is written on financed cars than on those that are owned by the assured.

### Arnold Hodgkinson to Retire May 1

SAN FRANCISCO—Arnold Hodgkinson, Pacific Coast branch secretary of the National Automobile Underwriters Association and general manager of the National Automobile Club, will retire from full-time active duty May 1. He will continue to serve the club in an advisory capacity. He will also have the title of assistant secretary of the National Automobile Club in order to give him official ranking.

Mr. Hodgkinson started in fire insurance in 1907 with the Washington Fire, which was reinsured by the Fireman's

Fund in 1911. He then became secretary of the Vulcan Fire, later reinsured by North British in 1922. At that time he was appointed general manager of the Pacific Board. He held that position 2½ years, leaving at the urgent appeal of officers of the National Automobile Club to assume administrative responsibility for that worrisome infant. Later, in 1925, the same group requested him also to take over the management of the Pacific Coast Automobile Underwriters Conference, combining the two jobs. When the National Automobile Underwriters Association assumed jurisdiction, he was named branch secretary, continuing as general manager of the automobile club.

In the past 11 years Mr. Hodgkinson has traveled between San Francisco and New York 61 times to attend National association meetings. He has used every railroad serving the west and he says he prefers the trains to the new-fangled airplane method.

### Neb. Holds Up Motors Licenses

LINCOLN, NEB.—Insurance Director Fraizer has withheld action on a number of additional applications made by the Motors Insurance Corporation for the appointment as agents of dealers in various towns. Some weeks ago a small batch of similar applications slipped through office routine, but Mr. Fraizer took no steps to revoke them. Being of the opinion that these local dealers are handlers of automobiles and accessories and not insurance men under the intent of the law, he is suspending judgment on the new applications until the legislature definitely acts on the pending agents' qualification law, based on the Illinois law. As May 1 is renewal date, delays are not regarded as serious.

### Southern Conference Meets in Atlanta

(CONTINUED FROM PAGE 10)

pointed out that keeping up with changes and corrections in rates is a tedious problem for the agent. However, no method by which this could be accomplished was suggested, unless it be by a flat rate, except in the larger cities where the rating bureau keeps track of rates and can be reached by telephone by the individual agent. In addition it was pointed out that some simplification was achieved by the recent ruling which fixed the rate on household goods at 5 cents above that of the property rate. Thus it is no longer necessary to keep a record on household goods rates.

### Cotton Storage Plan Discussed

There was some discussion of the CCC proposal to call for new bids on the storage of government cotton, with the prospect that it would be concentrated in port warehouses. This would cause agents in smaller communities to lose the coverage on this cotton. No action was taken, since the senate has passed a bill to prohibit this cotton transfer and similar action may be taken by the house.

There was also discussion pro and con of the plan of the North America to issue a participating policy, but no action was taken. Other discussion was on the proposal of the casualty companies to grade down commissions on large projects, especially on cost-plus national defense contracts. As to the recent application of the wage and hour law to insurance agencies it was agreed that they should keep complete employee record as to hours and wages.

The agents were luncheon guests of Lloyd T. Wheeler, secretary-manager Southeastern Underwriters Association. Among those present were Assistant Secretary Paul B. Hulfish, Chief Engineer H. N. Pye and Secretary L. L. Hunnicut of the sprinklered risk committee of the S.E.U.A.

Payne H. Midyette of Tallahassee, Fla., president National Association of Insurance Agents, attended in an unof-

ficial capacity. Sidney O. Smith of Gainesville, Ga., chairman of the N.A.I.A. executive committee, also attended "as a small town local agent." The conference gave them a warm welcome, and adopted a formal resolution of thanks to them for the work they are doing in the National association.

Henry Brown, Columbia, S. C., secretary of the South Carolina association, acted as secretary of the conference.

### N. Y. Solons Hear N. H. Plan Backers

(CONTINUED FROM PAGE 25)

He pointed out that under compulsory insurance the people are "claim conscious," whereas under the plan proposed by the Page-Anderson bill, they would be "safety conscious."

Arthur Snyder, of the A. M. Best Co., president of the New York Board of Trade, said the Page-Anderson bill is an intelligent and modern solution of the serious automobile accident problem; that it secures compensation for property damage above a specified minimum amount, applies to residents and non-residents alike, protects guests and covers all accidents, whether on or off the public highways. An additional and unique feature of the bill is the voiding of the marketability of the car when an accident occurs where there is no insurance and where the minimum requirements have not been met.

A resolution endorsing financial responsibility was presented by Raymond Cooper, past master of the New York State Grange. It had been adopted at the annual meeting of the state grange at Kingston last December.

Raymond P. Dorland, representing the Insurance Brokers Association of New York City, stressed the importance of covering the non-resident driver. "This cannot be done under any compulsory motor vehicle insurance law," he said.

Thomas A. Sharp of Rochester, president of the New York State Association of Local Agents, presented a resolution of the Rochester Chamber of Commerce endorsing the bill and declared his association is for it, that its enactment would tend to reduce accidents.

James R. Garrett, National Casualty, New York, president Insurance Federation of New York, presented a federation resolution endorsing the bill.

### Van Wie Cites Safety Emphasis

J. A. Van Wie, Troy, who has been for 39 years an insurance agent and for the past 20 years has devoted himself to a study of accident prevention, declared the Page-Anderson bill is a safety measure. He said payment of damages after the accident occurs should be a secondary consideration, but that the prevention of accidents is the real objective. He argued that any sort of compulsory insurance does not reduce accidents but makes the public "claim conscious."

Others favoring the bill included J. W. Rose, Buffalo, secretary New York State Association of Local Agents; Alex Goldberger, president Brooklyn Brokers Association; Julius A. Cohen, General Brokers Association; Mortimer G. Nathanson, chairman Brokers Associations' joint committee on legislation; Samuel D. Rosan, Independent Brokers of Brooklyn; Berthold M. Harris, executive secretary Insurance Brokers Association of New York City; Robert J. Lancraft, secretary Elmira Association of Commerce.

Philip J. O'Brien, New York City, representing taxicab interests, spoke in opposition to the bill. "I oppose this bill," O'Brien said, "to give the dog one bite. There is only one answer and that is compulsory insurance. If you want to

**The best way to increase your casualty premiums is to read The Casualty Insuror. Use the handy subscription card in this issue.**

do a job do it in its entirety, you cannot solve the problem with a bill like this."

O'Brien declared the experience of the taxicab drivers warranted the enactment of a compulsory law.

A brief was filed in opposition to the bill by George C. Donahue, secretary of the Automobile Club of Rochester.

He said the automobile club in 1938 had voted almost 10 to one against compulsory insurance. His brief alleged that the Page-Anderson bill was drafted by insurance company interests. At one point it says:

"The Page-Anderson bill, solely in the interest of insurance companies, limits the time in which an action may be brought to recover for death, damages or injuries to person or property to one year."

### Pearl's Virginia License Is Suspended

(CONTINUED FROM PAGE 28)

and so far as may be practicable to bring into conformity with the state law all coverages having similar defects.

### ISSUE IN MONTANA

Just prior to adjournment of the Montana legislature, the insurance committee of the house brought in a recommendation that Pearl and its affiliates be barred from operation in Montana and the committee recommended that the attorney-general make an investigation of the activities of Pearl in connection with the state insurance fund situation in 1935 and 1936. The Montana transactions took place prior to the time that Oscar H. Carlsson became U. S. manager of Pearl. The house approved the report by a voice vote.

In 1935, Montana enacted a state insurance fund measure for the insuring of state owned property. Through the old Miller agency of Butte, Pearl was given a contract to reinsure the business of the state fund 100 percent. Opponents of the state fund started a campaign to abolish it and succeeded in having a referendum included in the 1936 election. According to Representatives Armstrong and Byrne, who raised the issue in the Montana house, Charles E. Miller, Jr., head of the agency, fought the referendum in the newspapers, over the radio and by personal contact. After the referendum was carried and the state fund was abolished, according to the allegations, Mr. Miller set about influencing the legislators to reestablish the fund and came within one vote of accomplishing that objective.

According to Armstrong and Byrne when the fund was abolished and the Pearl's policy was canceled, Charles E. Miller, Jr. and R. H. Archard of Pearl arranged for the insurance of the state property with Pearl under a direct policy. The reinsurance contract was canceled short rate, the cost to the state being nearly \$40,000 more than on a pro rata basis.

According to the report of the insurance committee, this new contract was written at a rate of 78 cents when the established rate on the same risk was 62 cents, the difference in premium being \$14,400.

Then the insurance committee stated that in May, 1939, Pearl cancelled its three-year policy that had been written on Dec. 2, 1936, and reissued a new contract covering the same risk at a rate of 75 cents when, according to the committee, the established rate was 62 cents, the difference being \$15,600.

The committee stated that the state board of examiners and the chief clerk of the board, who were parties to the contracts entered into by Pearl, failed to protect the rights of the people. The state auditor was commended for his stand in the matter. The recommendation was made that the attorney-general take action to recoup the money which the committee alleges was im-

properly paid and if he finds that any state officer has been guilty of a breach of duty he should bring action on their surety bonds.

According to the legislators, the California insurance department examined the offices of Pearl in San Francisco and the office of successor of Miller Insurance Agency and found no vouchers at either place to support expenditures which the legislators charged that Miller made in fighting repeal of the state fund.

Charles E. Miller of the old Miller agency now resides in Wyoming.

#### LACKS OFFICIAL INFORMATION

NEW YORK—United States Manager O. H. Carlsson of Pearl stated Tuesday he understood that as the result of the recently completed routine convention examination of Pearl, certain allegations had been made of actions of the Pearl's former Montana general agent that resulted in the insurance committee report in the Montana house, but that the company had received no official information.

### Vigorous Session Features Minnesota Mid-Year Meet

(CONTINUED FROM PAGE 2B)

No relief appears in sight on dwelling rates and with a number of companies writing at 40 percent off, he said the situation was serious. Also, there is nothing encouraging in the workmen's compensation field with a greater share of this business flowing through non-agency channels with resultant loss of needed agency service. Talk about eliminating the agent in the insurance business, he branded as nonsense.

"The only way the agent can be eliminated is through poor service by himself," Mr. Hirman declared. "There is a sales cost in insurance as there is in any other commodity or service and always will be. The term 'profit motive' is a misnomer when applied to our business and subject to a great deal of misinterpretation. It is regrettable that it ever has been used in connection with insurance. If the only reason we agents are in business is to make a profit, then I am afraid the agency system is doomed. However, I believe that the real force behind the agency system is not the profit-motive but the service motive."

Outstanding characteristic of the mid-year conference was the active part taken by agents who have not before figured in state association affairs. Proceedings were pretty much dominated by so-called country agents, many of them young men.

This infusion of new blood is largely the result of regional organization work in the past two years under direction of E. F. Westrum, Albert Lea; Howard Williams, Mankato; Roy Engberg, St. Paul, and Brad Strom, Jackson. There are now eight regional associations in the state with four more in prospect. Total registration at the mid-year was 491, exceeding 1940.

The annual meeting will be held at Rochester, Sept. 11, 12 and 13 with the Insurors Association of Rochester as host. Francis V. McGovern, president of the Rochester board, outlined plans for the meeting which will open with a golf tournament.

The rural agents' breakfast sponsored by America Fore attracted a big crowd at the mid-year. B. R. Walinder, farm manager of America Fore, was host. With him were A. G. Gabrielson, Chicago, assistant secretary, Continental, and J. R. Jones, state adjuster. Guy E. Rolien, Milaca, presided, and Jack Reynolds, Little Falls; Brad Strom, Jackson; Eugene Billeadeau, Grand Rapids; I. R. Sher, Hibbing, and Jay Weeks, Minneapolis, took part.

Mr. Walinder stated that many agents are overlooking a good bet by neglecting to sell extended coverage on farm personal property.

The rural breakfast session closed with a discussion of the lack of a turkey

market this year. Mr. Strom, from the turkey country in southwestern Minnesota, said that so far the only market this year is being provided by Lloyds of London working jointly with a small St. Paul mutual. The turkey rate has been more than doubled, from 3 cents a bird to 6½ cents. Mr. Weeks defended the attitude of the stock companies for withdrawing from this field and said a lot of the trouble lay with bankers and turkey feed dealers whose only purpose was to make a credit risk out of turkey coverage.

Other breakfast meetings dealt with regional and local board problems, public insurance, fire prevention. Mr. Williams conducted a round table for regional officers and Merrill Rolison, Austin, presided at the local board breakfast. Plans to organize in Minnesota a fire and sabotage prevention unit along lines of the Maryland system were outlined by Harry E. Reynolds, Duluth, at the fire prevention breakfast.

John McHale, state agent New York Underwriters, and Karl Klein of the W. A. Lang agency, St. Paul, led the public insurance conference. Mr. McHale advised all agents to make complete detailed surveys of all public property in their localities at the earliest possible date.

R. A. Thompson of Wirt Wilson & Co., Minneapolis, and Mr. Billeadeau presided at group meetings.

Changes in marine underwriting and the increasing opportunities in that field for the local agent were described by Louis F. Hawley of Newhouse & Sayre, Chicago. Prof. J. O. Christianson, University of Minnesota, spoke.

Complimentary luncheons were provided by the St. Paul Fire & Marine and the Frank S. Rogers general agency.

Frank Madden, Massachusetts Mutual Life, was master of ceremonies at the dinner sponsored by the Insurance Exchange of St. Paul and attended by 500. In charge were Henry Orme, president of the exchange, and Karl Klein.

### Manhattan Repairs to Cost \$2,000,000

(CONTINUED FROM PAGE 2A)

a practical point of view amounts to the same thing. General average describes the type of agreement under which cargo thrown overboard to save the ship is not regarded as the loss of that particular shipper but is spread among all the shippers and the ship owner in proportion to their interests as measured by the value of the ship and freight. The other principal application of general average is in the case of strandings, where whatever is done for the common good, even the burning of fuel in an attempt to release the ship, is assessed among the shippers and ship owners according to their interests.

The York-Antwerp rules, adopted late in the last century and enacted into the laws of practically all countries, were an effort to bring some order out of the chaos which threatened the general average system as ships grew larger and took on freight from numerous shippers in many different countries in a single voyage. Settlement of losses was made extremely complicated because of the different countries' laws.

However, many marine insurance men would like to see the whole general average principle abandoned, as its application under present day conditions is an immensely costly and complicated process. It is an outgrowth of the old sailing ship days when it was considered, and was in fact the case, that a voyage was a joint venture of the ship owners and the shippers. It was much

like a share-expense automobile tour. Many marine men feel, however, that to continue this principle today is like looking on a mile-long freight train as a joint venture of the railroad and the man who is shipping a basket of peaches.

Following its hearings, the Bureau of Marine Inspection and Navigation blamed the stranding of the Manhattan "almost entirely" on Captain G. V. Richardson and suspended his master's license for eight months. It found J. H. Burger, first mate, guilty of "contributory fault" and suspended his license for one month. The accident was held due to "indecisiveness on the part of the master to change course when a change was necessary." Because of Capt. Richardson's long and honorable record as a skillful and conscientious mariner, the bureau expressed the hope that he might again be given "the privilege of commanding important vessels." Early penalties recommended were reduced by reason of the two officers' fine record.

### Argus Fire Chart Ready 12 Days After Statement Deadline

(CONTINUED FROM PAGE 2A)

writing expenses paid, premiums earned, losses incurred including adjustment expenses, underwriting expenses, and five ratios on losses and expenses.

Thus a complete picture of each company, on its present condition and recent progress, is given. Showings on mutuals, reciprocals and Lloyds are practically the same, except that special showings are necessary for factory mutuals, while the farm mutual showings are abbreviated.

Of great usefulness to agents is the triple feature in the Argus Fire Chart which shows in which states each company is licensed. Every agent these days has at least a few risks with coverage away from home and he needs to know where his own and other companies are licensed. This convenient list makes an alphabetical index for the other two features, namely, the insurance groups or company fleets, showing the "running mates" under one management, and for the list of underwriters' agencies. This list shows the name of the underwriters agency and the company it represents, while the first list shows all of the underwriters agencies belonging to the company named.

Another useful list shows company changes since Dec. 31, 1935. There are tables showing competitive standings of the companies, underwriting and investment profit and loss and the premiums and losses of all stock companies on accessory lines, such as motor vehicles, ocean marine, inland navigation, etc. Still another table, called "Assets Analyzed," shows what each company has invested in real estate, bonds, stocks, cash and premium balances.

### A.F.I.A. Opens Branch Office at Surat, India

The American Foreign Insurance Association is opening a branch office in Surat, Bombay Presidency, India, under the management of I. D. Joshi. Surat is an important cotton center and the new office will offer better servicing facilities to agencies in the western section of India.

The A.F.I.A. will now have six branches in India, the principal ones being situated in Bombay and Calcutta, and the others in Ahmedabad, Lahore, Coimbatore and the new one. Mr. Joshi has been in insurance in India for 15 years.

### Writing All Forms INLAND MARINE INSURANCE, Including Yachts

**ALAN H. BONITO & COMPANY, INC.**

*Managers Marine Dept.*

**Rhode Island Insurance Co.**

**Home Office**  
80 John Street  
New York City

**Western Department**  
Insurance Exchange Bldg.  
Chicago, Illinois

... Year 'Round Commercial Rates ...

100 Rooms  
100 Baths

**SEDGEFIELD INN**

Greensboro, North Carolina  
Louis D. Miller, Mgr.

**OCEAN HOUSE**

OCEAN HOUSE  
Watch Hill, Rhode Island



**SEDGEFIELD INN**—Midway between Greensboro and High Point. Featuring golf, riding and all other outdoor sports—Convenient for commercial travelers in Piedmont Carolinas—Excellent Convention facilities.

**OCEAN HOUSE**—Owner-management Louis D. Miller. Featuring private ocean beach—deep sea fishing—sailing—beach parties—summer theatre—golf—orchestra—cocktail lounge. Popular for conventions. American Plan.

**JUNE THRU SEPTEMBER**



**Subscribe to the Accident & Health Review now and get the annual 64 page Survey Edition free. Use the handy card in this issue.**



ern Ontario, the collision rates have been increased 25 percent, while fire rates on private cars are down 20 percent. In rural areas collision rates have been advanced 15 percent.

Private passenger automobile rates have been modified in Manitoba and Saskatchewan by the Western Canada Insurance Underwriters Association, generally resulting in increases.

### Quebec to Probe Insurance

MONTREAL—Premier Godbout of the province of Quebec told a delegation from the Royal Automobile Club, which called on him to protest recent advances in automobile premium rates, that he plans to undertake in the very near future an investigation of all branches of insurance in the province.

Superintendent Lafrance probably will head a commission to be appointed by Mr. Godbout.

### Windsor Agents Elect

WINDSOR, ONT.—Paul Roberts has been elected president of the Windsor Fire & Casualty Insurance Agents Association, with Martin Clavell, vice-president and Clayton Blonde, secretary-treasurer. Directors are F. R. Larkin, C. A. McAllister, Horace Atkinson, A. E. Thompson and W. G. Wells.

### Beveridge Assistant Secretary

MONTREAL—George V. Beveridge has been appointed assistant secretary of the Royal-Liverpool groups at the Canadian head office here. He has spent his entire insurance career with those companies, in both western and eastern Canada.

### Fort William Agents Elect

The Fort William (Ont.) Fire Insurance Agents Association has elected these officers: President, N. T. Owens; vice-presidents, J. F. O'Brien and W. P. Bailey; secretary-treasurer, W. A. Dyke.

## MOTOR

### Collision Rate Increase Demand

Automobile collision losses continue to plague the companies. The losses took a sharp upward turn in October and there has been no relief since that time. The collision loss ratio is currently running above 70 percent and the entire motor vehicle account is producing a loss ratio of about 60 percent.

There is a good deal of sentiment in favor of increasing collision rates in the rate revision that will be put in effect in May. Some of the influential companies are reported to be resisting any substantial increase in collision premiums but a good deal of pressure is being brought to bear by the advocates of an increase. The companies writing finance business in substantial amounts are suffering more than the others, because a great deal more collision insurance is written on financed cars than on those that are owned by the assured.

### Arnold Hodgkinson to Retire May 1

SAN FRANCISCO—Arnold Hodgkinson, Pacific Coast branch secretary of the National Automobile Underwriters Association and general manager of the National Automobile Club, will retire from full-time active duty May 1. He will continue to serve the club in an advisory capacity. He will also have the title of assistant secretary of the National Automobile Club in order to give him official ranking.

Mr. Hodgkinson started in fire insurance in 1907 with the Washington Fire, which was reinsured by the Fireman's

Fund in 1911. He then became secretary of the Vulcan Fire, later reinsured by North British in 1922. At that time he was appointed general manager of the Pacific Board. He held that position 2½ years, leaving at the urgent appeal of officers of the National Automobile Club to assume administrative responsibility for that worrisome infant. Later, in 1925, the same group requested him also to take over the management of the Pacific Coast Automobile Underwriters Conference, combining the two jobs. When the National Automobile Underwriters Association assumed jurisdiction, he was named branch secretary, continuing as general manager of the automobile club.

In the past 11 years Mr. Hodgkinson has traveled between San Francisco and New York 61 times to attend National association meetings. He has used every railroad serving the west and he says he prefers the trains to the new-fangled airplane method.

### Neb. Holds Up Motors Licenses

LINCOLN, NEB.—Insurance Director Fraizer has withheld action on a number of additional applications made by the Motors Insurance Corporation for the appointment as agents of dealers in various towns. Some weeks ago a small batch of similar applications slipped through office routine, but Mr. Fraizer took no steps to revoke them. Being of the opinion that these local dealers are handlers of automobiles and accessories and not insurance men under the intent of the law, he is suspending judgment on the new applications until the legislature definitely acts on the pending agents' qualification law, based on the Illinois law. As May 1 is renewal date, delays are not regarded as serious.

### Southern Conference Meets in Atlanta

(CONTINUED FROM PAGE 10)

pointed out that keeping up with changes and corrections in rates is a tedious problem for the agent. However, no method by which this could be accomplished was suggested, unless it be by a flat rate, except in the larger cities where the rating bureau keeps track of rates and can be reached by telephone by the individual agent. In addition it was pointed out that some simplification was achieved by the recent ruling which fixed the rate on household goods at 5 cents above that of the property rate. Thus it is no longer necessary to keep a record on household goods rates.

### Cotton Storage Plan Discussed

There was some discussion of the CCC proposal to call for new bids on the storage of government cotton, with the prospect that it would be concentrated in port warehouses. This would cause agents in smaller communities to lose the coverage on this cotton. No action was taken, since the senate has passed a bill to prohibit this cotton transfer and similar action may be taken by the house.

There was also discussion pro and con of the plan of the North America to issue a participating policy, but no action was taken. Other discussion was on the proposal of the casualty companies to grade down commissions on large projects, especially on cost-plus national defense contracts. As to the recent application of the wage and hour law to insurance agencies it was agreed that they should keep complete employee record as to hours and wages.

The agents were luncheon guests of Lloyd T. Wheeler, secretary-manager Southeastern Underwriters Association. Among those present were Assistant Secretary Paul B. Hulfish, Chief Engineer H. N. Pye and Secretary L. L. Hunnicut of the sprinklered risk committee of the S.E.U.A.

Payne H. Midyette of Tallahassee, Fla., president National Association of Insurance Agents, attended in an unof-

ficial capacity. Sidney O. Smith of Gainesville, Ga., chairman of the N.A.I.A. executive committee, also attended "as a small town local agent." The conference gave them a warm welcome, and adopted a formal resolution of thanks to them for the work they are doing in the National association.

Henry Brown, Columbia, S. C., secretary of the South Carolina association, acted as secretary of the conference.

### N. Y. Solons Hear N. H. Plan Backers

(CONTINUED FROM PAGE 25)

He pointed out that under compulsory insurance the people are "claim conscious," whereas under the plan proposed by the Page-Anderson bill, they would be "safety conscious."

Arthur Snyder, of the A. M. Best Co., president of the New York Board of Trade, said the Page-Anderson bill is an intelligent and modern solution of the serious automobile accident problem; that it secures compensation for property damage above a specified minimum amount, applies to residents and non-residents alike, protects guests and covers all accidents, whether on or off the public highways. An additional and unique feature of the bill is the voiding of the marketability of the car when an accident occurs where there is no insurance and where the minimum requirements have not been met.

A resolution endorsing financial responsibility was presented by Raymond Cooper, past master of the New York State Grange. It had been adopted at the annual meeting of the state grange at Kingston last December.

Raymond P. Dorland, representing the Insurance Brokers Association of New York City, stressed the importance of covering the non-resident driver. "This cannot be done under any compulsory motor vehicle insurance law," he said.

Thomas A. Sharp of Rochester, president of the New York State Association of Local Agents, presented a resolution of the Rochester Chamber of Commerce endorsing the bill and declared his association is for it, that its enactment would tend to reduce accidents.

James R. Garrett, National Casualty, New York, president Insurance Federation of New York, presented a federation resolution endorsing the bill.

### Van Wie Cites Safety Emphasis

J. A. Van Wie, Troy, who has been for 39 years an insurance agent and for the past 20 years has devoted himself to a study of accident prevention, declared the Page-Anderson bill is a safety measure. He said payment of damages after the accident occurs should be a secondary consideration, but that the prevention of accidents is the real objective. He argued that any sort of compulsory insurance does not reduce accidents but makes the public "claim conscious."

Others favoring the bill included J. W. Rose, Buffalo, secretary New York State Association of Local Agents; Alex Goldberger, president Brooklyn Brokers Association; Julius A. Cohen, General Brokers Association; Mortimer G. Nathanson, chairman Brokers Associations' joint committee on legislation; Samuel D. Rosan, Independent Brokers of Brooklyn; Berthold M. Harris, executive secretary Insurance Brokers Association of New York City; Robert J. Lancraft, secretary Elmira Association of Commerce.

Philip J. O'Brien, New York City, representing taxicab interests, spoke in opposition to the bill. "I oppose this bill," O'Brien said, "to give the dog one bite. There is only one answer and that is compulsory insurance. If you want to

**The best way to increase your casualty premiums is to read The Casualty Insuror. Use the handy subscription card in this issue.**

do a job do it in its entirety, you cannot solve the problem with a bill like this."

O'Brien declared the experience of the taxicab drivers warranted the enactment of a compulsory law.

A brief was filed in opposition to the bill by George C. Donahue, secretary of the Automobile Club of Rochester.

He said the automobile club in 1938 had voted almost 10 to one against compulsory insurance. His brief alleged that the Page-Anderson bill was drafted by insurance company interests. At one point it says:

"The Page-Anderson bill, solely in the interest of insurance companies, limits the time in which an action may be brought to recover for death, damages or injuries to person or property to one year."

### Pearl's Virginia License Is Suspended

(CONTINUED FROM PAGE 28)

and so far as may be practicable to bring into conformity with the state law all coverages having similar defects.

### ISSUE IN MONTANA

Just prior to adjournment of the Montana legislature, the insurance committee of the house brought in a recommendation that Pearl and its affiliates be barred from operation in Montana and the committee recommended that the attorney-general make an investigation of the activities of Pearl in connection with the state insurance fund situation in 1935 and 1936. The Montana transactions took place prior to the time that Oscar H. Carlsson became U. S. manager of Pearl. The house approved the report by a voice vote.

In 1935, Montana enacted a state insurance fund measure for the insuring of state owned property. Through the old Miller agency of Butte, Pearl was given a contract to reinsure the business of the state fund 100 percent. Opponents of the state fund started a campaign to abolish it and succeeded in having a referendum included in the 1936 election. According to Representatives Armstrong and Byrne, who raised the issue in the Montana house, Charles E. Miller, Jr., head of the agency, fought the referendum in the newspapers, over the radio and by personal contact. After the referendum was carried and the state fund was abolished, according to the allegations, Mr. Miller set about influencing the legislators to reestablish the fund and came within one vote of accomplishing that objective.

According to Armstrong and Byrne when the fund was abolished and the Pearl's policy was canceled, Charles E. Miller, Jr. and R. H. Archard of Pearl arranged for the insurance of the state property with Pearl under a direct policy. The reinsurance contract was canceled short rate, the cost to the state being nearly \$40,000 more than on a pro rata basis.

According to the report of the insurance committee, this new contract was written at a rate of 78 cents when the established rate on the same risk was 62 cents, the difference in premium being \$14,400.

Then the insurance committee stated that in May, 1939, Pearl cancelled its three-year policy that had been written on Dec. 2, 1936, and reissued a new contract covering the same risk at a rate of 75 cents when, according to the committee, the established rate was 62 cents, the difference being \$15,600.

The committee stated that the state board of examiners and the chief clerk of the board, who were parties to the contracts entered into by Pearl, failed to protect the rights of the people. The state auditor was commended for his stand in the matter. The recommendation was made that the attorney-general take action to recoup the money which the committee alleges was im-

properly paid and if he finds that any state officer has been guilty of a breach of duty he should bring action on their surety bonds.

According to the legislators, the California insurance department examined the offices of Pearl in San Francisco and the office of successor of Miller Insurance Agency and found no vouchers at either place to support expenditures which the legislators charged that Miller made in fighting repeal of the state fund.

Charles E. Miller of the old Miller agency now resides in Wyoming.

#### LACKS OFFICIAL INFORMATION

NEW YORK—United States Manager O. H. Carlsson of Pearl stated Tuesday he understood that as the result of the recently completed routine convention examination of Pearl, certain allegations had been made of actions of the Pearl's former Montana general agent that resulted in the insurance committee report in the Montana house, but that the company had received no official information.

### Vigorous Session Features Minnesota Mid-Year Meet

(CONTINUED FROM PAGE 2B)

No relief appears in sight on dwelling rates and with a number of companies writing at 40 percent off, he said the situation was serious. Also, there is nothing encouraging in the workmen's compensation field with a greater share of this business flowing through non-agency channels with resultant loss of needed agency service. Talk about eliminating the agent in the insurance business, he branded as nonsense.

"The only way the agent can be eliminated is through poor service by himself," Mr. Hirman declared. "There is a sales cost in insurance as there is in any other commodity or service and always will be. The term 'profit motive' is a misnomer when applied to our business and subject to a great deal of misinterpretation. It is regrettable that it ever has been used in connection with insurance. If the only reason we agents are in business is to make a profit, then I am afraid the agency system is doomed. However, I believe that the real force behind the agency system is not the profit-motive but the service motive."

Outstanding characteristic of the mid-year conference was the active part taken by agents who have not before figured in state association affairs. Proceedings were pretty much dominated by so-called country agents, many of them young men.

This infusion of new blood is largely the result of regional organization work in the past two years under direction of E. F. Westrum, Albert Lea; Howard Williams, Mankato; Roy Engberg, St. Paul, and Brad Strom, Jackson. There are now eight regional associations in the state with four more in prospect. Total registration at the mid-year was 491, exceeding 1940.

The annual meeting will be held at Rochester, Sept. 11, 12 and 13 with the Insurors Association of Rochester as host. Francis V. McGovern, president of the Rochester board, outlined plans for the meeting which will open with a golf tournament.

The rural agents' breakfast sponsored by America Fore attracted a big crowd at the mid-year. B. R. Walinder, farm manager of America Fore, was host. With him were A. G. Gabrielson, Chicago, assistant secretary, Continental, and J. R. Jones, state adjuster. Guy E. Rolien, Milaca, presided, and Jack Reynolds, Little Falls; Brad Strom, Jackson; Eugene Billeadeau, Grand Rapids; I. R. Sher, Hibbing, and Jay Weeks, Minneapolis, took part.

Mr. Walinder stated that many agents are overlooking a good bet by neglecting to sell extended coverage on farm personal property.

The rural breakfast session closed with a discussion of the lack of a turkey

market this year. Mr. Strom, from the turkey country in southwestern Minnesota, said that so far the only market this year is being provided by Lloyds of London working jointly with a small St. Paul mutual. The turkey rate has been more than doubled, from 3 cents a bird to 6½ cents. Mr. Weeks defended the attitude of the stock companies for withdrawing from this field and said a lot of the trouble lay with bankers and turkey feed dealers whose only purpose was to make a credit risk out of turkey coverage.

Other breakfast meetings dealt with regional and local board problems, public insurance, fire prevention. Mr. Williams conducted a round table for regional officers and Merrill Rolison, Austin, presided at the local board breakfast. Plans to organize in Minnesota a fire and sabotage prevention unit along lines of the Maryland system were outlined by Harry E. Reynolds, Duluth, at the fire prevention breakfast.

John McHale, state agent New York Underwriters, and Karl Klein of the W. A. Lang agency, St. Paul, led the public insurance conference. Mr. McHale advised all agents to make complete detailed surveys of all public property in their localities at the earliest possible date.

R. A. Thompson of Wirt Wilson & Co., Minneapolis, and Mr. Billeadeau presided at group meetings.

Changes in marine underwriting and the increasing opportunities in that field for the local agent were described by Louis F. Hawley of Newhouse & Sayre, Chicago. Prof. J. O. Christianson, University of Minnesota, spoke.

Complimentary luncheons were provided by the St. Paul Fire & Marine and the Frank S. Rogers general agency.

Frank Madden, Massachusetts Mutual Life, was master of ceremonies at the dinner sponsored by the Insurance Exchange of St. Paul and attended by 500. In charge were Henry Orme, president of the exchange, and Karl Klein.

### Manhattan Repairs to Cost \$2,000,000

(CONTINUED FROM PAGE 2A)

a practical point of view amounts to the same thing. General average describes the type of agreement under which cargo thrown overboard to save the ship is not regarded as the loss of that particular shipper but is spread among all the shippers and the ship owner in proportion to their interests as measured by the value of the ship and freight. The other principal application of general average is in the case of strandings, where whatever is done for the common good, even the burning of fuel in an attempt to release the ship, is assessed among the shippers and ship owners according to their interests.

The York-Antwerp rules, adopted late in the last century and enacted into the laws of practically all countries, were an effort to bring some order out of the chaos which threatened the general average system as ships grew larger and took on freight from numerous shippers in many different countries in a single voyage. Settlement of losses was made extremely complicated because of the different countries' laws.

However, many marine insurance men would like to see the whole general average principle abandoned, as its application under present day conditions is an immensely costly and complicated process. It is an outgrowth of the old sailing ship days when it was considered, and was in fact the case, that a voyage was a joint venture of the ship owners and the shippers. It was much

like a share-expense automobile tour. Many marine men feel, however, that to continue this principle today is like looking on a mile-long freight train as a joint venture of the railroad and the man who is shipping a basket of peaches.

Following its hearings, the Bureau of Marine Inspection and Navigation blamed the stranding of the Manhattan "almost entirely" on Captain G. V. Richardson and suspended his master's license for eight months. It found J. H. Burger, first mate, guilty of "contributory fault" and suspended his license for one month. The accident was held due to "indecisiveness on the part of the master to change course when a change was necessary." Because of Capt. Richardson's long and honorable record as a skillful and conscientious mariner, the bureau expressed the hope that he might again be given "the privilege of commanding important vessels." Early penalties recommended were reduced by reason of the two officers' fine record.

### Argus Fire Chart Ready 12 Days After Statement Deadline

(CONTINUED FROM PAGE 2A)

writing expenses paid, premiums earned, losses incurred including adjustment expenses, underwriting expenses, and five ratios on losses and expenses.

Thus a complete picture of each company, on its present condition and recent progress, is given. Showings on mutuals, reciprocals and Lloyds are practically the same, except that special showings are necessary for factory mutuals, while the farm mutual showings are abbreviated.

Of great usefulness to agents is the triple feature in the Argus Fire Chart which shows in which states each company is licensed. Every agent these days has at least a few risks with coverage away from home and he needs to know where his own and other companies are licensed. This convenient list makes an alphabetical index for the other two features, namely, the insurance groups or company fleets, showing the "running mates" under one management, and for the list of underwriters' agencies. This list shows the name of the underwriters agency and the company it represents, while the first list shows all of the underwriters agencies belonging to the company named.

Another useful list shows company changes since Dec. 31, 1935. There are tables showing competitive standings of the companies, underwriting and investment profit and loss and the premiums and losses of all stock companies on accessory lines, such as motor vehicles, ocean marine, inland navigation, etc. Still another table, called "Assets Analyzed," shows what each company has invested in real estate, bonds, stocks, cash and premium balances.

### A.F.I.A. Opens Branch Office at Surat, India

The American Foreign Insurance Association is opening a branch office in Surat, Bombay Presidency, India, under the management of I. D. Joshi. Surat is an important cotton center and the new office will offer better servicing facilities to agencies in the western section of India.

The A.F.I.A. will now have six branches in India, the principal ones being situated in Bombay and Calcutta, and the others in Ahmedabad, Lahore, Coimbatore and the new one. Mr. Joshi has been in insurance in India for 15 years.

### Writing All Forms INLAND MARINE INSURANCE, Including Yachts

ALAN H. BONITO & COMPANY, INC.

Managers Marine Dept.  
Rhode Island Insurance Co.

Home Office  
80 John Street  
New York City

Western Department  
Insurance Exchange Bldg.  
Chicago, Illinois

### ... Year 'Round Commercial Rates ...

100 Rooms  
100 Baths

### SEDFIELD INN

Greensboro, North Carolina  
Louis D. Miller, Mgr.

### OCEAN HOUSE

OCEAN HOUSE  
Watch Hill, Rhode Island



SEDFIELD INN—Midway between Greensboro and High Point. Featuring golf, riding and all other outdoor sports—Convenient for commercial travelers in Piedmont Carolinas—Excellent Convention facilities.

OCEAN HOUSE—Owner-management—Louis D. Miller. Featuring private ocean beach—deep sea fishing—sailing—beach parties—summer theatre—golf—orchestra—cocktail lounge. Popular for conventions. American Plan.

JUNE THRU SEPTEMBER

Subscribe to the Accident & Health Review now and get the annual 64 page Survey Edition free. Use the handy card in this issue.



## Extend Deviation Filings; Act in N. Y.

(CONTINUED FROM PAGE 25)

panies propose not to tamper with the basic rate, but to produce a reduction by contributions from the allowances for acquisition cost and for general administration and audit. The formula varies from state to state. In Indiana, for instance, the commission to the agent would be reduced from 17.5 percent to 5 percent and 3.1 percent would be taken from the allowance for administration and audit.

In New York where the commission to agents is now 15 percent, it would be reduced to 5 percent.

In Alabama the filing was for a graduated formula. On the first \$1,000 of premium, there would be no discount and the commission to the agent would be 15 percent; on the next \$4,000, the discount would be 4.1 percent; on the next \$20,000 the deviation would be 15.9 percent with 7.5 percent production cost; on the next \$25,000, the discount would be 18.5 percent with 5 percent for production, and on all premiums above \$50,000, the deviation is 21 percent with 2.5 percent for production.

### "Intolerable Situation"

The stock companies in briefs supporting these filings say that they desire to contribute to the national defense effort and to make their services available, but that unfortunately the requirements of the war department have created an intolerable situation. The stock companies, according to the brief, are practically precluded from writing defense risks in rate regulated states. The anticipated dividends of the mutual company determines the issue.

The brief observes that for some time the stock companies have appreciated that to apply the same percentage loading for all sizes of risks is improper. The companies can, with propriety, and with fairness to the producer cut the acquisition cost and shave the allowance for general administration and audit, because those expenses do not increase hand in hand with the increase in size of risk.

Some observers believe that in this situation may lie the force to speed the stock companies on their move towards a graduated expense program and that may possibly herald the day of participating policies in stock company ranks. The companies have definitely been pointing in that direction and just the other day the National Association of Insurance Agents appointed a new committee to confer with stock companies on the graduated expense program. The necessities of the defense situation have removed the idea from the conversational realm. The stock companies had to take action and there will certainly be no stock company agent who will oppose these deviation filings. If, by some chance, the filings do enable the stock companies to share some of the business it will mean some commission to agents, whereas without such a filing the stock company producer is out in the cold completely.

This action in connection with defense risks may prove to be a highly significant precedent.

## NATIONAL COUNCIL ACTS

NEW YORK—Members of the National Council on Compensation Insurance have been advised of the unanimous adoption by the rates committee last Friday of these resolutions:

"That a separate classification be established for the national defense projects on which compensation or employers liability insurance coverage is approved by or recommended by the federal government or any agency thereof.

"That the expense portion of the classification rates normally applicable to such operations be A rated.

"That A rates as adopted by the stock and non-stock members of the several

regional committees (acting separately on behalf of the respective groups) be filed by the National Council.

"That the National Council notify all carriers in the respective states of such filings when made."

While the gathering was called by C. W. Hobbs, representative of the National Association of Insurance Commissioners to the National Council, to consider a request from the industrial commission of Colorado that the council define its position as to a special rating procedure applicable to United States government national defense cost-plus-fixed fee contracts in that state it was held desirable by the rates committee to consider from a national viewpoint.

Under the new rating plan there will be no change, it is understood, in the recognized loss ratio, reductions being effected through savings in acquisition costs, audit and home office expenses.

### SITUATION IN ALABAMA

BIRMINGHAM — Superintendent Julian of Alabama has approved the application of the National Bureau of Casualty & Surety Underwriters for a reduction in the acquisition cost on stock company compensation business written on national defense projects awarded on a cost-plus fixed fee basis. This reduction ranges up to 20 percent on the larger jobs and provides a graduated commission scale. The basic rate remains the same.

Now certain of the large mutuals have applied for a rate deviation of 10 percent on the same class.

The stock companies supported their application for the reduction with page after page of factual matter relating to their experience with this and similar types of business. The mutuals will presumably attempt to justify the 10 percent reduction which they seek to offer.

### Oppose Mutual Monopoly

The stock companies and agents in asking for the deviation anticipated that the mutuals would also come forth with a proposal. They urgently insist, however, that the two should be on the same basis, especially in competing for this government business, paid for by the taxpayer's money, and that the mutuals should not try to be granted a monopoly on the business.

In Alabama at this time two or three gigantic projects will soon be ready to let, and there is considerable sparring for the business. The coverage is awarded by the quartermaster general in Washington after four bids, two by stock and two by mutual companies, have been submitted on invitation of the contractor on the job.

### Bar Association Book on Fire, Automobile Forms

The insurance section of the American Bar Association has published a new book, "Insurance Policy Annotations." It has two major sections, the first giving court decisions on each line of the standard automobile liability policy and the second treating the present New York standard fire policy the same way. At the end of each section is an alphabetical table of cited cases, giving state and national report of citations and the page or pages in the compilation where the case is mentioned.

The work is so up to date that many 1940 cases are included. The work is a consolidation and development of the reports published in booklet form by the automobile and fire insurance law committees. The automobile reports appeared in 1936, 1938 and 1939 and fire insurance report in 1939.



There are 152 pages devoted to the automobile policy and 183 on the fire policies. A third part is devoted to an index of all papers published in the proceedings of the insurance law section from 1933 to 1940, arranged by author and by topic and lists of reference material in advance programs and question pamphlets published separately from 1934 to 1940.

A uniform style in quoting policy provisions, commenting and citing cases is used in both parts and this makes the volume very readable and should en-

hance its value as a reference work. The automobile part indicates the different wording of the various conditions in the original standard policy and its two revisions and indicates the language involved in the reported cases.

There is a foreword by E. W. Patterson, professor of law Columbia University. Howard C. Spencer is the present chairman of the insurance section of the American Bar Association and Lionel P. Kristeller of Newark is chairman of the committee on publications of this section.



## THE BEST ADDRESS

Experienced travelers know the value of stopping at a hotel of distinction. The Fontenelle is a name you can refer to with pride—pride that comes from knowing the accommodations will be excellent, atmosphere dignified and refreshing, the address self sufficient. Beautifully modernized throughout.

3 Restaurants  
BOMBAY ROOM  
AMBER ROOM  
BLACK MIRROR

## AIR-CONDITIONED FOR YEAR ROUND COMFORT

OMAHA'S WELCOME TO THE WORLD!

In Cleveland  
HOTEL HOLLENDEN

In Columbus  
THE NEIL HOUSE

In Akron  
THE MAYFLOWER

In Lancaster, O.  
HOTEL LANCASTER

In Corning, N. Y.  
BARON STEUBEN HOTEL

DeWITT OPERATED HOTELS

Theodore DeWitt President R. F. Marsh V. P. & Gen. Mgr.

## A. & H. Opportunities Told at Cleveland Congress

(CONTINUED FROM PAGE 20)

insurance holder is a prospect for disability insurance. As far as I can see, neither casualty or life insurance men are aware of this great field. There is a great opportunity indeed, and the business is already growing seemingly by its own force. The speed of its growth and the potentialities seem to have been kept a secret. The present amount of insurance in force is small change compared to what it might be.

"Agents selling automobile liability insurance face the situation each year of trying to solicit each others' customers when the thousands of people around them are without such insurance altogether. When you sell an accident policy you are almost certain to be getting a new piece of business.

### Accident Insurance Personal Line

"Accident insurance is personal insurance. The relatively poor man needs it most, because his income is vital. No income, no groceries. And nothing brings the agent closer to the client than the payment of a claim in this field. They will remember such claim payment longer than the payment of insurance to a third party under some other form.

"Accident insurance is not hard to sell and it is easier to retain. You are talking something they understand. Every day they see and hear unfortunate happenings about them. And there is less competition than in other lines. Furthermore clients think of accident insurance more as life insurance and don't switch to other agents. There is no other line which can so readily be sold on the first call. Above 75 percent is written on the first solicitation. There is also a low lapse ratio and collection of premium is easier than any other form except life. Accident insurance when well developed can be a most profitable line, offering a substantial income."

Speaking on "Proper Mental Attitude," R. S. Moore, agency director, Midland Mutual Life, emphasized the importance of positive rather than negative thoughts and emotions. Go-givers, instead of go-getters, are the need of this day, he said. "In the future success will be judged by what we put into the world rather than what we get out. Take care of your prospects as you would like to be taken care of, and the commissions will take care of themselves."

### Fit Coverage to Needs

E. H. O'Connor, agency manager accident department Provident Life & Accident, urged agents before calling on a prospect to select the form they believe will best fit his needs. "Today, in our business, we need no longer fit the prospect to the coverage," he said. "You have diversified coverages with a wide price range, so that you can make the proposition attractive—both from coverage and price. Do not place more than one coverage before a prospect. If you do so, you confuse his mind and leave him in such a state that he is unable to decide immediately which is the best proposition for him."

He declared that the salesman must know his subject so thoroughly that he can command the interview, but should not attempt "to run the show. Let the prospect interrupt with questions or objections. The more questions the more objections, the quicker you can show him why he needs the protection."

### Two Contacts for Successful Sale

Mr. O'Connor believes that it takes two contacts to make a successful sale, and that a one-interview sale invariably proves to be just a purchase—not a sale. Few persons, he said, really want insurance; they are induced to take it only when they convince themselves that they cannot do without it. A policy that is sold under high pressure will not remain on the books.

He favors use of a series of pre-approach letters, to get the idea thor-

oughly implanted in the prospect's mind. Then, when the agent calls, he is able to go into the subject in an intelligent manner.

He said that every agent should ask himself: "Why did I buy insurance?" "You bought because you were convinced that you needed it," Mr. O'Connor said. "That is why others will buy from you, provided you really create in the mind of the prospect the desire to buy."

Mr. O'Connor stressed very strongly the opportunities under the franchise plan, which may be presented to business concerns having less than 50 employees. He also stressed the fact that the worker needs basic coverage—reimbursement of loss of wages—and that hospitalization coverage is wholly insufficient.

## Don't Deviate from Comprehensive Idea Sawyer Urges

(CONTINUED FROM PAGE 20)

a Garand rifle which, when taken apart renders 77 different parts, but which when assembled constitutes a most formidable weapon. Mr. Egloff said: "Separately, each policy is an integral part serving its specific function, but without maximum efficiency until all possible hazards to a risk are covered. Take each policy needed by a risk, assemble them in a comprehensive coverage, limiting exclusions to a minimum and adding automatic coverage for any new venture an insured may undertake, and you have one of the most potent weapons for protection ever offered a prospect."

### Jigsaw Puzzle Makes Hit

The most striking example used by Mr. Egloff was a piece of board cut into a jigsaw puzzle. He showed an entire board representing complete liability protection, with no loopholes. Then he showed the cut board and took away one piece and then another, to illustrate the gaps created when coverages are omitted. Finally, he got a roar from the crowd by holding up a bottle of sawdust, left when the puzzle was sawed. He compared the sawdust to the 1 percent charge, saying the cut pieces, plus the sawdust, make a complete board of protection.

Emphasizing that an assured cannot choose the kind of accident he will have, Mr. Egloff said that the principal selling features of the policy are the broad insuring clauses with a minimum of exclusions, elimination of dividing lines between specific coverages, avoidance of loopholes between policies of different carriers, fully automatic coverage, the fact that the assured can forget about liability insurance for a year, protection against pitfalls overlooked by the producer and the fixing of responsibility on one producer.

## DISCUSSION PERIOD

Following is a condensed report of the principal question put to Mr. Sawyer by the members of the panel and by the audience. The Insurance Institute committee will have a stenographic report of the entire discussion, which is expected to be made available in the near future.

Participants in the panel were J. C. O'Connor, editor "Fire, Casualty and Surety Bulletins" and associate editor THE NATIONAL UNDERWRITER; G. E. Hofmeister, vice president Continental Casualty, and W. J. Bremer, assistant superintendent compensation and liability department Hartford Accident. Questions not prepared came from the floor.

Mr. Bremer: To what extent is malpractice covered in the comprehensive liability policy?

It was intended to include coverage of all malpractice caused by accident. Full coverage for malpractice liability will need endorsement.

Mr. Hofmeister: What about addi-

tional interests in connection with O. L. & T.—real estate offices and the like?

We haven't the full answer to that yet. I suggest that you not include additional interests until the matter is taken up with the company.

Mr. O'Connor: Is it your belief that a general carrying of property damage liability and product liability would result in materially lowered rates?

We will have to have lower rates before we can get the business. Heretofore rates have been based on risks who knew they were going to have accidents.

### What Is "Accident"?

To what extent would a comprehensive policy be broadened by covering bodily injury "accidentally sustained" instead of "caused by accident"?

The reason we selected "caused by accident" is that we discovered that whatever was said in policies, claims always were paid on the basis of an "accident," whether caused or sustained. We use "accident" because we have to say something must happen "during the policy year," and we have not found a good substitute for "accident." It has to be the cause of an injury. "Occurrence" does not have quite the force and effect of "accident." By using another expression such as "occurrence," you bring in breach of promise, libel, fraud, and similar actions.

### Independent Contractors

In the comprehensive general liability policy, the exclusion with reference to automobiles does not exclude automobiles of independent contractors. The automobile policy also covers independent contractor operations. Under which policy is the assured to take coverage, or is the company entitled to charge under both?

There is a duplication of coverages. We had to leave in the general liability the protective coverages, such as contractors, which have always covered automobiles operated by independent contractors. We have a similar duplication with reference to unlicensed automobiles on the assured's premises. Where two policies are written, the agent should come to an understanding with his company.

Can Grantors' liability be covered under comprehensive liability?

Yes.

### Minimum Premiums

Why a minimum premium limit of \$150 on comprehensive; smaller assureds need comprehensive more than larger ones?

Mr. Sawyer: In the rate controlled states we had to be sure that the premium was sufficiently high to recompense the company or agent for making thorough surveys of hazards. We did bring the minimum down to \$100. An adequate survey is vital. The idea is to transfer some of the auditing work from the home office to the field. The states cannot see enough premium in anything less than \$200 to provide a thorough audit of hazards.

Mr. Brewer: It is possible, we believe, to combine private, non-business exposure of an assured with his business exposures and thus develop the \$100 minimum.

### Automobile Age Limit

With respect to automobile exclusion on minors, how can the operator of a fleet of salesmen's cars get coverage against liability from minors driving the cars without the fleet owner's knowledge or consent?

For a very nominal rate he can get it in the old form. He will probably have to handle it this way under the comprehensive form.

What is an unlicensed automobile?

Two types of unlicensed automobiles come within the scope of the comprehensive policy: (1) the owner of a fleet

**Check your insurance reading needs now. Use the handy card in this issue to subscribe for leading insurance publications. Do not use card for renewals.**

may not license certain units because of seasonal use; (2) discarded automobiles, in an "automobile graveyard," for instance. This hazard would probably not be discovered until an accident occurred, but is still covered.

### Automobile Coverage

How does the comprehensive policy take care of additional liability hazards that arise during the year?

The insuring clause doesn't limit coverage to hazards existing at the time the policy was written.

Mr. O'Connor: Do you see any prospect of eventually combining compensation and employers liability insurance in the comprehensive form?

This is possible, but not probable in the near future, for fear of jeopardizing a hard won position with respect to the compensation policy.

Mr. Hofmeister: How can comprehensive be written when the assured has existing liability or automobile policies?

Mr. Egloff: Exclude the hazards covered till those policies expire, and then include. There is no penalty against the assured getting comprehensive under these circumstances.

Under a comprehensive liability policy covering a hotel, is bodily injury due to false arrest covered?

Only if the injury is caused by accident. If you want certain coverage for such an assured, get the policy endorsed.

## Article by Mills Upholds Auto Responsibility Laws

NEW YORK—A defense of financial responsibility laws, particularly the new standard bill recommended by the Association of Casualty & Surety Executives, written by L. A. Mills, secretary of that organization, appears in the current issue of the "Casualty & Surety Journal" of the association. Mr. Mills' article appears in answer to a number of currently popular criticisms of these acts, usually by persons advocating compulsory automobile liability insurance.

The proposed standard bill differs from the recommended law of the American Automobile Association in that it includes a number of features of the New Hampshire law. In addition to providing for revocation of a motorist's license on failure to pay a judgment, it requires the motor vehicle commissioner to compel a motorist involved in an accident to put up security to satisfy a possible judgment from that accident, unless the commissioner is of the opinion that the motorist was free from fault. This part follows the New Hampshire law.

### Present Status of Laws

Of the 43 financial responsibility laws in the United States and Canada, Mr. Mills regards 20 as average. They are those of California, Delaware, District of Columbia, Idaho, Illinois, Indiana, Kansas, Kentucky, Maryland, Michigan, Nebraska, New Jersey, New York, North Dakota, Oregon, Washington, West Virginia, Wisconsin, British Columbia and Manitoba. Ten he regards as above average, since they authorize the commissioner to require proof in the event of certain accidents, without the necessity of suit or judgment. In this class are Hawaii, New Hampshire, Pennsylvania, Rhode Island, Vermont, Alberta, New Brunswick, Nova Scotia, Ontario and Saskatchewan. The other 11 laws he does not consider satisfactory.

Answering the popular criticism that financial responsibility laws do not promote safety, Mr. Mills quotes officials of Maryland, Indiana and New Jersey as crediting these laws with reducing highway accidents in their states. He also points out that compulsory insurance laws have no force at all for safety, since they are concerned only with assuring payment of judgments.

Admitting that enforcement is all important and is never easy, Mr. Mills points out that even complete enforcement will directly affect only "the comparatively few have demonstrated by



some act that they are more likely to cause accidents in the future." He said, however, that the law affects all motorists psychologically but that this benefit is had only when the law is properly publicized. He also emphasizes that the financial responsibility law is the best way to reach "accident-prone" drivers, since a number of recognized traffic studies have shown that "an accident repeater" is far more likely to have accidents in the future than the average driver.

Reaching motorists as soon as they have an accident, a financial responsibility law of the best type thus eliminates these drivers from the highways or requires them to put up security for future accidents, Mr. Mills concludes.

## Observations Given on Current Insurance Topics

(CONTINUED FROM PAGE 20)

is quite an addition to their bag of arguments.

Insurance people make a mistake in a blanket condemnation of the federal administration, say those who are thinking through. Resolutions blasting federal supervision of insurance and upholding state departments without taking account of the weaknesses of the latter eventually will react on organizations taking that position.

The new Illinois state director, Paul F. Jones, takes an advanced and a most logical position when he said he intended to study most earnestly the criticisms directed against state supervision and if he found they were justified and could be remedied he would do his best in Illinois to meet the challenge.

Two officials from the executive branch of the federal government, Gerhard Gesell and S. T. Pike, representatives of the SEC on the Temporary National Economic Committee, in their report have some very pointed observations on state insurance departments, and most of their criticism is not directed at the commissioners themselves but at the way legislatures hamper them. For instance the two officials object to the short tenure of office of commissioners because of the vicissitudes of politics. They advocate higher salaries, longer terms, a much larger appropriation allotted to the departments in order that more efficient people will be attracted to the service.

Attention is called to the abuses in the present system of company examinations. Often examiners are appointed for purely political reasons and they are not qualified. Insurance examiners need to possess a schooling of a particular nature. To be effective, an examiner must look behind the returns. He must know how to discover abuses or weaknesses in the insurance as well as financial operations. In other words the examination should mean something to the company and the public. Just now Commissioner Sullivan of Washington who is endeavoring to raise the standard of his department is being attacked for increasing its expense, particularly in examination work. This shows the obstacles that confront a commissioner in his effort to augment efficiency.

Messrs. Gesell and Pike strike at one of the most flagrant faults of the examination system and that is charging companies for the expense. However that would be a most difficult practice to overcome, simply because the departments have not the money to pay examiners. In some states, no charge is made for examination of home companies. We have the convention system which brings in outside departments where a company does an inter-

state business. The two officials suggest that where a charge is made the entire amount should be paid direct to the state treasury.

At least one abuse could well be corrected by commissioners and that is making a profit on the sustenance of examiners while on duty. Some states charge \$25 a day regardless of size of the place where a company is located. Then in addition there is a flat charge for daily sustenance, very liberal.

There seems to be no justification in charging a company more for room and board than is actually expended. Former Director Ernest Palmer of Illinois attempted to bring about a change in this practice but got nowhere. In some of the Illinois examination reports where convention examinations are made, a record is made of the cost levied by the states participating.

There is plenty of meat in the Pike-Gesell report, some not being so appetizing, some poorly cooked but some being a piece de resistance well worth commending.

Each year Travelers pays out a substantial amount of money in first-year commissions on regular life sales. Yet at the present time the company's commercial accident commissions, new and renewal, total almost exactly the same amount as first-year life commissions.

According to

**PHIL**

By Phil Braniff  
Insurers Indemnity &  
Insurance Co., Tulsa



Tonight I argued with a friend about war. We both got a little hot under the collar. Perhaps neither of us knew much about war—for war is a mysterious quantity which has many masks. After he left and I had smoothed down my patriotic bristles and laid a successful blitzkrieg on the refrigerator, where I always go to gain my equilibrium (and boy! have I gained!), I settled down to take a fair squint at his side of the argument.

I don't like to concede during an argument, but I find it a good habit to recapitulate the high points of my opposition at the conclusion for the purpose of education. Difference of views is an American privilege and a great source of learning. The other fellow always has some valuable ideas, no matter if he is right or wrong.

Tonight, after he had gone, I began to realize that he had something—he had a big, strapping, blundering boy—a lead soldier, still in the mould. Patriotism is as natural to an American as mother-love—but patriotism is a personal thing which swells within the confines of a man until it bursts with action.

To a man whose son reaches for the musket of patriotism, it is different. The dad who would proudly defend his flag and his country with his own blood, will do anything humanly possible to keep his son from having to make such a sacrifice unnecessarily. The same dad would secretly hope that the same son would insist upon shouldering the same musket. The solution? There isn't any. It's the red in the sunrise—the white of the winter snow and the blue in the summer sky. Which reminds me of a page I wrote for a scrapbook of a little boy five years ago. Here it is:

Silky-haired boy with your little tin gun,  
Why do you hurry so, why do you run?  
Why must you play with that little tin gun?

What is there in a man, what is it, son?  
Why do you like it, what makes it such fun

To play like a soldier, with each battle won  
By a silky-haired boy with a little tin gun.

Have you seen soldiers marching on Armistice Day?

## Search for Hazards in Nylon Process

NEW YORK—As the plants of the DuPont Company of Delaware are largely self-insured, insurance engineers have not had an opportunity to survey the properties in recent months, and hence known relatively little of their fire hazards. Underwriters have been interested in the new product of the DuPont Company sold under the trade name of "Nylon." This product has created consternation in the ladies' silk hosiery trade, as some 15,000,000 pairs have been sold since May 15 and jobbers and retailers are unable to meet the demand.

Chemically speaking "Nylon" is the generic term for materials composed of synthetic fiber-forming polymeric amides having a protein-like structure, and characterized by extreme toughness and strength and the peculiar ability to be formed into fibers and into various shapes, such as bristles and sheets.

While now used largely in the manufacture of hosiery, "Nylon" is also being used as material for toothbrushes, and generally is expected to become a sharp competitor for natural silk in many lines.

As to the burning characteristics of Nylon, the "Rayon Textile Monthly," in its issue of January, 1939, stated: "When held into an open flame it acts similar to silk, wool or acetate yarn. Actually the fibers melt, then fuse to a glassy globule and depending on the length of time kept in the flame the bead formed may be of a light brownish color and more or less transparent like a borax pearl, or a black tar-like substance. Compared with beads formed on silk and acetate rayon the Nylon globules are perfectly round. They are very hard and tough. The acetate globules are also hard but brittle and can be crushed between the fingers. The ash globules of silk and wool are very fluffy and soft and fall to powder at the slightest touch. The odor given off during the burning is similar to that of boiling string beans, entirely different from that of any other animal or vegetable fiber."

### No Greater Fire Risk

While the manufacture of Nylon is a closely guarded secret, and underwriters known little as to possible hazards incident to its use, their feeling is that the product offers no greater fire risk than that of silk yarn, and hence are not apprehensive.

A representative of the DuPont Company spoke at a gathering of insurance engineers some weeks ago, but when questioned regarding the new Nylon product, admitted he had little knowledge of it.

### DANGER IN PROCESSING MATERIALS

Many of the "ersatz" products are hazardous. Much of the synthetic organic products that come out of the laboratory involve great explosion and fire hazards at some stage in the manufacture of the basic material, although their use when fabricated into finished products is comparatively or completely safe, according to inspection company engi-

Do you know each live soldier means ten put away?

Have you heard about Marne, Chateau Thierry, Verdun,

Silky-haired boy, with your little tin gun?

And now I've convinced you, go put it away.

It's noisy and dangerous and not made for play.

But somehow I know you won't—somehow I know—

That some day—somewhere—a bugle will blow—

And you'll march away hell-bent for glory and fun—

On your brow will be sweat—on your shoulder a gun.

neers. One of the chief hazards met in plants making these products is the use of various volatile, low flash point solvents.

Another hazard usually met is from the nature of the raw materials used, which in most cases contain the elements of high explosives and at the very least are slow burning. Thus, some of the products are based on coal tar, others on petroleum. One of the most common and safest basic materials, cellulose acetate, is really a slow burning form of celluloid, from which is made the so-called safety photographic movie film and many other products. Cellulose nitrate is the highly inflammable celluloid base which derives from gun-cotton, a real explosive. Thus, it seems this branch of the synthetic products industry is closely akin to the munitions industry in the explosion and fire hazard.

### Could Eliminate This Hazard

Inspection men are confident that much of the hazard of property loss from these various dangerous stages in manufacture of base materials could be largely eliminated by segregating the dangerous processes in separate structures or out of doors, as is done in powder and nitroglycerine works. But the manufacturers seem to like to have all of the stages of manufacture closely linked and this is the way many of the plants have developed.

Another hazard, which is especially encountered in handling products made from resin bases, comes from the necessity of having a direct fire under the resin in a kettle. There is great danger of the resin boiling over and it also volatilizes with the heat so an intense fire may be created that is not easily controllable by use of water.

Many of the resins, both natural and synthetic, are moulded into various shapes by means of heat, which, however, rarely exceeds 300 to 400 degrees and is not considered hazardous.

### Flammable Solvents Used

Viscose, which is the base of rayon, sausage casings, etc., has an unusual hazard in that at a certain point in the process the material is treated with carbon bisulphide, a very flammable solvent. Another process involving the use of a dangerous solvent is the extraction of oil from soy beans. There is the old mechanical process which consists of heating and pressing and is not dangerous. A practice that has sprung into recent use, however, is the solvent process, the solvent generally used being naphtha. The Glidden explosion in Chicago illustrated the danger of this method. The mechanical process since has been improved so that the percentage of extraction of oil is so close to that of the solvent method that its hazard is considered by many engineers more than the slight gain in the extraction of oil warrants.

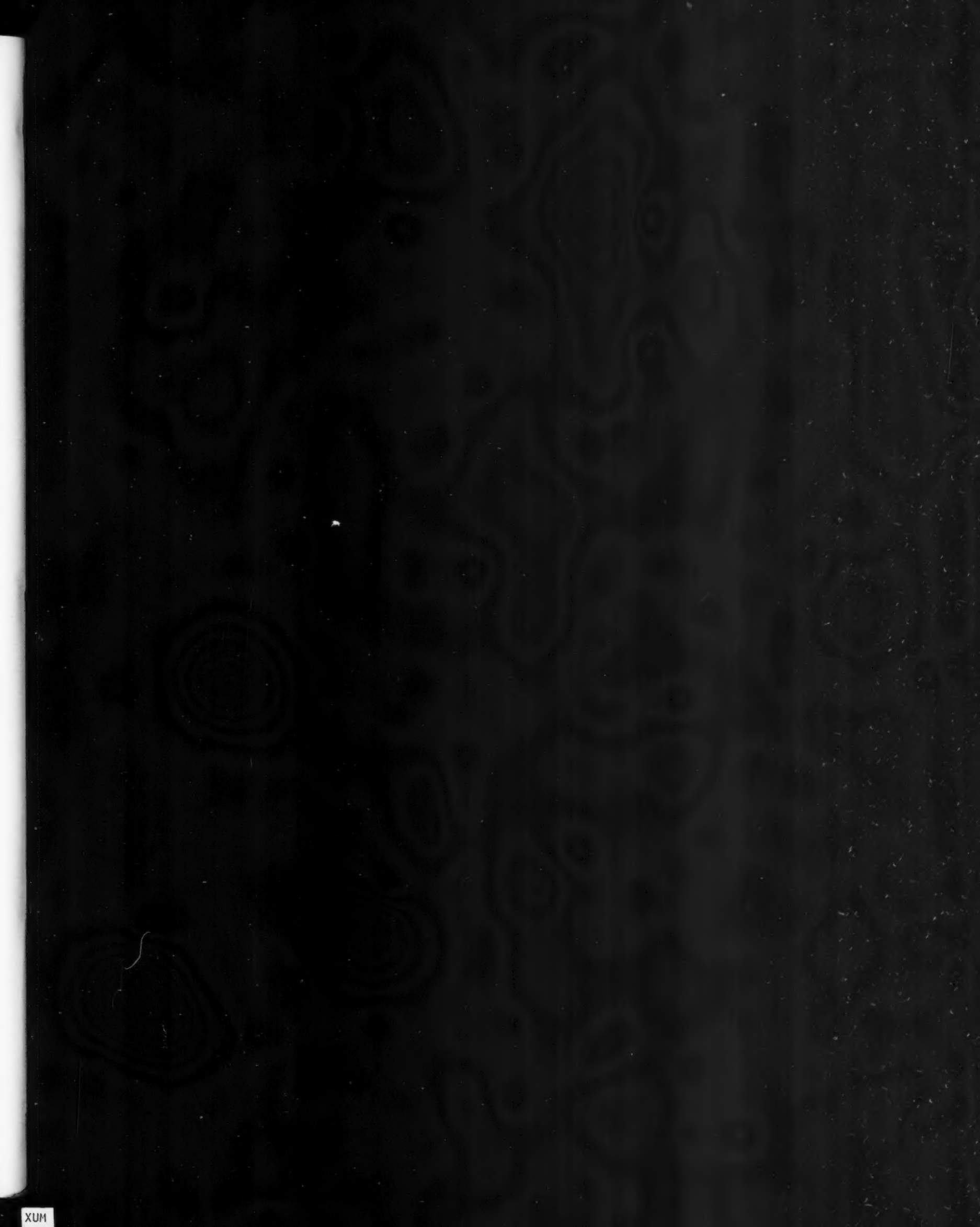
Another hazard found in handling some types of plastics is that of dust explosion. This especially applies to the casein plastics which in themselves are virtually non-hazardous but at one point involve a grinding process which produces a dust that is explosive.

### Large Assured's Register

THE NATIONAL UNDERWRITER sells an Insurance Register for large assured, which is a well bound, well designed record for keeping track of large lines, the page size being 11x8½ inches. Form 600 bound in green buckram costs \$1.50 each or \$8.25 for six. Form 604 bound in red imitation leather costs \$2.50 each or \$13.50 for six. Imprinting or embossing carries an additional charge.

Liability assumed from another is definitely excluded from the usual public liability policies such as manufacturers and contractors, owners' landlords' and tenants', and products. If coverage for this hazard is desired, it must be extended by endorsement or by the issuance of a separate contractual liability policy.

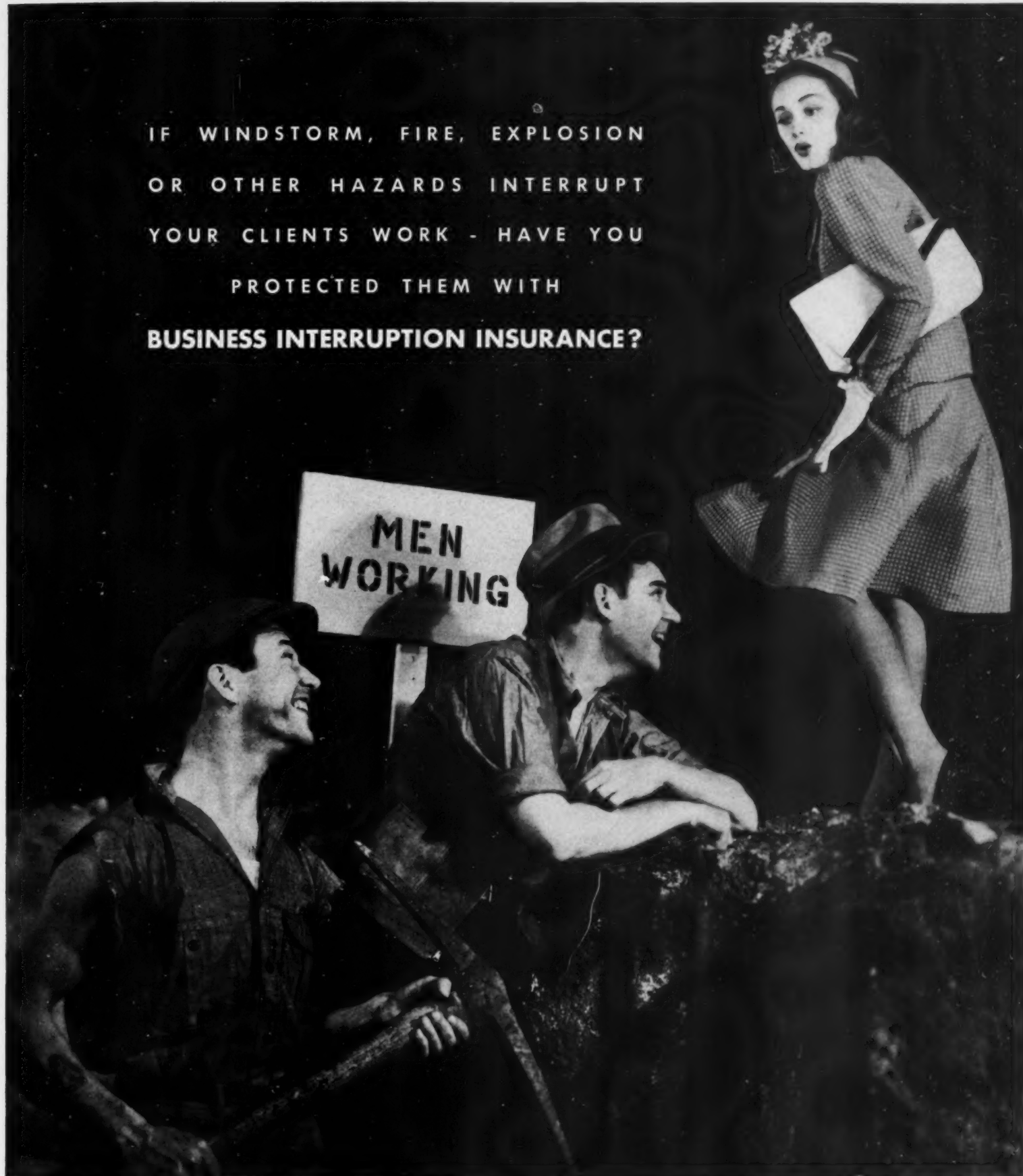
**It pays to get your own personal copy of The National Underwriter. Use the handy subscription card in this issue.**







IF WINDSTORM, FIRE, EXPLOSION  
OR OTHER HAZARDS INTERRUPT  
YOUR CLIENTS WORK - HAVE YOU  
PROTECTED THEM WITH  
**BUSINESS INTERRUPTION INSURANCE?**



### *America Fore Insurance*

THE CONTINENTAL INSURANCE COMPANY  
FIDELITY-PHENIX FIRE INSURANCE COMPANY  
AMERICAN EAGLE FIRE INSURANCE COMPANY  
FIRST AMERICAN FIRE INSURANCE COMPANY

*Eighty Maiden Lane,*



### *and Indemnity Group*

NIAGARA FIRE INSURANCE COMPANY  
MARYLAND INSURANCE COMPANY OF DELAWARE  
THE FIDELITY AND CASUALTY COMPANY

BERNARD M. CULVER, President  
FRANK A. CHRISTENSEN, Vice-President

*New York, N.Y.*

CHICAGO

SAN FRANCISCO

NEW YORK

ATLANTA

MONTREAL





## "STAND UP - SPEAK UP - SHUT UP!"

That's a famous orator's formula for making a speech. And it's our formula for preparing agents' sales helps. Each promotional activity is thoroughly done—a completely co-ordinated job. It *stands up* head and shoulders over run-of-mill selling helps. And it *speaks up*—forcefully, clearly and simply. Then it

*shuts up*. No long, dragged-out argument or beating about the bush.

A good example of this one-two-three brevity and driving power is the current Analysis and Survey Manual now in our agents' hands. "How To Beat the Green Bay Packers in One Easy Lesson" puts over the Insuranalysis story like the crack of a whip.

Even though you may not be an agent of a company in the National Fire Group, we'll be glad to send you a copy of this manual free.

☆ ☆ ☆ ☆ ☆

We should like to have you see what sort of sales helps we furnish our agents. Just mail the coupon. We'll do the rest.

Whenever you run into difficult cases, and the less-familiar forms of insurance, then is the time to call in **your** National Fire Group Counselor. His wealth of training and experience will mean putting more of these hard-to-get cases on your books.



## THE NATIONAL FIRE GROUP

NATIONAL FIRE INSURANCE COMPANY OF HARTFORD — TRANSCONTINENTAL INSURANCE COMPANY  
MECHANICS & TRADERS INSURANCE COMPANY—FRANKLIN NATIONAL INSURANCE COMPANY OF NEW YORK

Home and Administrative Offices: 95 Pearl Street, Hartford, Connecticut  
Western Department: 175 West Jackson Boulevard, Chicago  
Pacific Department: 234 Bush Street, San Francisco

The National Fire Group,  
95 Pearl St.,  
Hartford, Conn.

Gentlemen:

I should like to have you mail me a copy of your manual, "How To Beat the Green Bay Packers in One Easy Lesson."

NAME .....

ADDRESS .....

NU-4 .....